



Journal of the House

State of Indiana

115th General Assembly

First Regular Session

Thirty-eighth Meeting Day

Monday Afternoon

April 2, 2007

The House convened at 1:00 p.m. with Speaker B. Patrick Bauer in the Chair.

The Speaker read a prayer for wisdom and service (printed January 9, 2007).

The Pledge of Allegiance to the Flag was led by Representative Robert J. Bischoff.

The Speaker ordered the roll of the House to be called:

Austin	Klinker
Avery	Knollman
Bardon	Koch
Battles	Kuzman
Behning	L. Lawson
Bell	Lehe
Bischoff	Leonard
Borders	Lutz
Borror	Mays
Bosma	McClain
C. Brown	Micon
T. Brown	Moses
Buck	Murphy
Buell	Neese
Burton	Niezgodski
Candelaria Reardon	Noe
Cheatham	Orentlicher
Cheney	Oxley
Cherry	Pelath
Cochran	Pflum
Crawford	Pierce
Crooks ☐	Pond
Crouch	Porter
Davis	Reske
Day	Richardson
Dembowski	Ripley
Denbo	Robertson
Dermody	Ruppel
Dickinson ☐	Saunders
Dobis	M. Smith
Dodge	V. Smith
Duncan	Soliday
Dvorak	Stemler
Eberhart	Stevenson
Elrod	Stilwell
Espich	Stutzman
Foley	Summers
Friend	Thomas
Frizzell	Thompson
Fry	Tincher
GiaQuinta	Torr
Goodin	Turner
Grubb	Tyler
Gutwein	Ulmer
E. Harris	VanHaaften
T. Harris	Walorski
Herrell	Welch
Hinkle	Whetstone
Hoy	Wolkins
Kersey	Mr. Speaker

Roll Call 421: 98 present; 2 excused. The Speaker announced a quorum in attendance. [NOTE: ☐ indicates those who were excused.]

HOUSE MOTION

Mr. Speaker: I move that when we do adjourn, we adjourn until Tuesday, April 3, 2007, at 1:00 p.m.

BATTLES

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Bauer be added as cosponsor of Senate Concurrent Resolution 61.

GIA QUINTA

Motion prevailed.

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed Senate Concurrent Resolutions 35 and 62 and the same are herewith transmitted to the House for further action.

MARY C. MENDEL

Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed Senate Concurrent Resolution 61 and the same is herewith transmitted to the House for further action.

MARY C. MENDEL

Principal Secretary of the Senate

MESSAGE FROM THE GOVERNOR

Mr. Speaker and Members of the House: On March 30, 2007, I signed into law House Enrolled Acts 1084, 1146, 1299, 1381, and 1456.

MITCHELL E. DANIELS, JR.

Governor

RESOLUTIONS ON FIRST READING

House Concurrent Resolution 51

Representatives Bauer and Niezgodski introduced House Concurrent Resolution 51:

A CONCURRENT RESOLUTION recognizing the Adams High School State Champion Mock Trial Team.

Whereas, The members of the Adams High School Mock Trial team are state champions, making the seventh straight Mock Trial state championship for the school;

Whereas, The mock trial program encourages creative and practical thinking by high school students;

Whereas, The students follow rules similar to the actual trial rules and present logical arguments on complex legal cases;

Whereas, The teams are coached by distinguished judges and

attorneys as well as by law students and are sponsored by dedicated faculty member Judith Overmyer;

Whereas, Adams High School had four teams finish in the Top 10 of the mock trial state finals;

Whereas, The championship match held in Indianapolis was made up of two Adams High School teams, the Renegades and the MOD Squad;

Whereas, The members of the runner-up MOD Squad are Josh Courtney, Jen Deeter, Adam Kern, Eilis Smyth, Chris Silvestri, Nick Murray-Vachon, and Gabe Young; and

Whereas, Renegades Michael Smyth, Ethan Janson, Claire Alvis, Laura Jones, and Adam Rector made such compelling arguments that the team was unanimously declared the State Champion: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the hard work and creative legal reasoning of the Adams High School Mock Trial Team that won the State Championship are inspiring to us all, individually and as a body, and we salute the team members.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to the members of the Adams High School Mock Trial Team, their coaches, the principal of Adams High School, and the superintendent of the school corporation.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsor: Senator Broden.

House Concurrent Resolution 52

Representatives Kuzman, Bauer, Whetstone, Borders, and Denbo introduced House Concurrent Resolution 52:

A CONCURRENT RESOLUTION recognizing the achievements of the Republic of China on Taiwan.

Whereas, The Republic of China on Taiwan has achieved economic stability, taken great steps forward in recent years to enter into the world arena as a trusted partner, and dramatically improved its record on human rights;

Whereas, As stated in Senate Resolution 25-2005, the Republic of China on Taiwan has established a democratic, multiparty political system, and its show of diplomacy aimed at national unification demonstrates its progressive spirit as a government and a people;

Whereas, Based on the value of these steps, inclusion of Taiwan in the United Nations would only further the universality of this essential global forum;

Whereas, The achievements of the Republic of China on Taiwan in the field of health are substantial;

Whereas, Senate Resolution 26-2005 speaks of a few of these medical achievements, including one of the highest life expectancy levels in Asia, maternal and infant mortality rates comparable to those of Western countries, and the eradication of such infectious diseases as cholera, smallpox, and the plague; moreover, the Republic of China on Taiwan was the first Asian nation to eradicate polio and provide children with hepatitis B vaccinations;

Whereas, The United States Centers for Disease Control and Prevention and its Taiwanese counterpart have enjoyed close collaboration on a wide range of public health issues, and the Taiwanese have expressed a willingness to assist financially and technically in international health activities supported by the World Health Organization; and

Whereas, The Republic of China on Taiwan has made a bold

step forward in an effort to become a valued member of the world community: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the Indiana General Assembly commends the efforts of the Republic of China on Taiwan.

SECTION 2. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to the President and Secretary of the United States Senate, the Speaker and Clerk of the United States House of Representatives, Indiana's Senators and Representatives in Congress, and the United Nations General Assembly and the Taipei Economic and Cultural Office in Chicago, Illinois.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsor: Senator Waterman.

House Concurrent Resolution 53

Representatives Koch, Welch, Pierce, Duncan, and Klinker introduced House Concurrent Resolution 53:

A CONCURRENT RESOLUTION recognizing Traditional Arts Indiana.

Whereas, Traditional Arts Indiana is a partnership between Indiana University's Department of Folklore and Ethnomusicology and the Indiana Arts Commission;

Whereas, Traditional Arts Indiana is recognized as Indiana's premier folk and traditional arts program;

Whereas, Established in 1998 and housed at Indiana University in Bloomington, the mission of Traditional Arts Indiana is to "document, promote, and present Indiana's traditional art and artists";

Whereas, Traditional Arts Indiana attempts to expand public awareness of lesser known art forms that have the ability to connect individuals to their community;

Whereas, The overall goal of Traditional Arts Indiana is to "integrate and connect cultural heritage to educational activities, cultural conservation, arts, and community development at the local, state, and national level";

Whereas, Art is creativity found in everyday life; and

Whereas, Traditional Arts Indiana attempts to bring this art to the forefront and to archive and preserve it for future generations of Hoosiers: Therefore,

Be it resolved by the House of Representatives of the General Assembly of the State of Indiana, the Senate concurring:

SECTION 1. That the Indiana General Assembly recognizes Indiana University and the Indiana Arts Commission in their effort, through the Traditional Arts Indiana program, to rekindle an interest in folk and traditional arts programs.

SECTION 2. That the Indiana General Assembly recognizes Traditional Arts Indiana as the state's official traditional arts support and development program.

SECTION 3. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to the Indiana University Department of Folklore and Ethnomusicology and the Indiana Arts Commission.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution. Senate sponsors: Senators Simpson and Lubbers.

Senate Concurrent Resolution 35

The Speaker handed down Senate Concurrent Resolution 35,

sponsored by Representatives Cherry and Bischoff:

A CONCURRENT RESOLUTION honoring Lance Corporal Greg Porter for his service to the State of Indiana and the United States of America.

Whereas, Lance Corporal Greg Porter is a native of Dyer, Indiana. He graduated from Ball State University with a degree in history and was an intern with the Indiana State Senate for Senator Harrison and Senator Jackman during the 2006 session;

Whereas, During his collegiate career and extending into his internship, Greg Porter was a member of the United States Marine Corp Reserve. Upon completion of his education, he went directly into extensive training in California and has been serving in Iraq since September of 2006;

Whereas, In the course of his military service, Lance Corporal Greg Porter was shot and injured. He survived this incident and is doing well. He has returned to Indiana to begin physical therapy. In the future, Lance Corporal Porter hopes to effect public policy serving as an elected official; and

Whereas, Lance Corporal Greg Porter's service to his country the United States Marine Corp inspires us. We wish him well in his recovery and good fortune in all his future endeavors: Therefore,

*Be it resolved by the Senate
of the General Assembly of the State of Indiana,
the House of Representatives concurring:*

SECTION 1. That the Indiana General Assembly honors Lance Corporal Greg Porter for his service in the United States Marine Corp.

SECTION 2. The Secretary of the Senate is hereby directed to transmit a copy of this resolution to Lance Corporal Greg Porter and his family.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution.

Senate Concurrent Resolution 61

The Speaker handed down Senate Concurrent Resolution 61, sponsored by Representatives GiaQuinta, Bell, and Bauer:

A CONCURRENT RESOLUTION honoring the Catholic Diocese of Fort Wayne-South Bend on its 150th Anniversary.

Whereas, In 1857, by the decree of His Holiness Pope Pius IX, the northern half of the state of Indiana was erected into the Catholic Diocese of Fort Wayne. The boundaries of this Diocese extended to the southern lines of Fountain, Montgomery, Boone, Hamilton, Madison, Delaware, Randolph and Warren Counties;

Whereas, In 1944, the Apostolic Decree of His Holiness Pope Pius XII established the Catholic Diocese of Lafayette from the southern counties of the Fort Wayne Diocese;

Whereas, In 1957, another division occurred as the Diocese celebrated its 100th anniversary, and four northwestern counties were taken from the Diocese to form the new Diocese of Gary;

Whereas, In 1960, the Diocese of Fort Wayne was renamed the Diocese of Fort Wayne-South Bend, now comprising 14 counties of northeastern Indiana with a Catholic population of nearly 160,000. Through each of these divisions, the Dioceses have remained unified in faith;

Whereas, In 2007 the Catholic Diocese of Fort Wayne-South Bend celebrates its Sesquicentennial Jubilee Year. Bishop John M. D'Arcy calls on the entire diocese to assemble at the University of Notre Dame on August 18, 2007, for a Diocesan Eucharistic Congress to commemorate the anniversary;

Whereas, Bishop D'Arcy will also urge members of the Diocese of Fort Wayne-South Bend to observe the Jubilee Cross,

which has traveled across the diocese from parish to parish for two years, reminding the Diocese of the Steadfast Love of Jesus Christ;

Whereas, During Lent, the Diocese initiated a "You Can Always Come Home" media campaign inviting inactive or under-active Catholics to "come home" to the Catholic Church, a toll-free telephone line for questions about the Catholic faith, a parish evangelization process called "Wells of Hope" and the Sacrament of Penance (confession) in all parishes throughout the Diocese on "Mercy Day," March 20;

Whereas, On December 8, 2007, the feast of the Immaculate Conception, the diocese and every parish, institution and holy place will be consecrated to Mary, Mother of Jesus Christ; and

Whereas, The Diocese of Fort Wayne-South Bend remains faithful to the Lord through changing times. The Diocese is a pillar of northwestern Indiana and its 150th anniversary is worthy of recognition: Therefore,

*Be it resolved by the Senate
of the General Assembly of the State of Indiana,
the House of Representatives concurring:*

SECTION 1. That the Indiana General Assembly honors the Catholic Diocese of Fort Wayne-South Bend on its 150th Anniversary.

SECTION 2. The Secretary of the Senate is hereby directed to transmit a copy of this resolution to Bishop John M. D'Arcy.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Mr. Speaker: Your Committee on Family, Children and Human Affairs, to which was referred Engrossed Senate Bill 104, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 12-17.2-2.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

Chapter 2.5. Child Care Advisory Committees

Sec. 1. The division shall establish a child care advisory committee for each of the following categories of child care:

- (1) Child care homes.**
- (2) Child care centers.**

Sec. 2. The purpose of each committee is to provide to the division information, advice, and assistance concerning implementation of child care regulations.

Sec. 3. Each committee must consist of members appointed:

- (1) by the director or the director's designee; and**
- (2) to provide diversity in representing the types of child care that comprise the committee's category specified in section 1 of this chapter, including size, licensure status, accreditation status, and geographic location in Indiana.**

Sec. 4. Meetings of each committee must be held on a quarterly basis.

Sec. 5. The child care administrator of the division (or the child care administrator's designee) and other representatives of the division shall attend the meetings of each committee.

Sec. 6. Each committee shall annually report to the committee on child care established by IC 12-17.2-3.3-2 concerning the committee's activities during the previous

year.

Sec. 7. Members of each committee serve without compensation."

Page 3, after line 22, begin a new paragraph and insert:

"SECTION 3. IC 12-17.2-5-7.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7.5. (a) The license issued to a person for the operation of a child care home under section 7 of this chapter shall indicate whether the child care home is licensed as a class I child care home or a class II child care home.

(b) **Except as provided in subsection (d)**, a person who:

- (1) holds a license to operate a class I child care home; and
- (2) at any time serves a number of children greater than the number allowed under IC 12-7-2-33.7;

is subject to sanctions under section 33 of this chapter, a civil penalty under section 34 of this chapter, and the criminal penalty set forth in section 35 of this chapter.

(c) **Except as provided in subsection (d)**, a person who:

- (1) holds a license to operate a class II child care home; and
- (2) at any time:

(A) serves a number of children greater than the number allowed under IC 12-7-2-33.8; or

(B) fails to comply with the requirements for class II child care homes set forth in section 6.5 of this chapter;

is subject to sanctions under section 33 of this chapter, a civil penalty under section 34 of this chapter, and the criminal penalty set forth in section 35 of this chapter.

(d) **The division may grant a temporary waiver to allow a class I child care home or class II child care home to serve a greater number of children than the number allowed under IC 12-7-2-33.7 or IC 12-7-2-33.8. If the division grants a temporary waiver under this subsection, the division shall explicitly state on the temporary waiver:**

- (1) **when the temporary waiver expires; and**
- (2) **the number of children that the child care home is temporarily permitted to serve."**

Renumber all SECTIONS consecutively.

(Reference is to SB 104 as printed February 16, 2007.)

and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 0.

SUMMERS, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Labor and Employment, to which was referred Engrossed Senate Bill 129, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 5, delete "As used in this chapter, "employee" means a full-time" and insert "**This chapter applies after December 31, 2007.**"

Page 1, delete lines 6 through 17, begin a new paragraph and insert:

"**Sec. 2. As used in this chapter, "employee" means a full-time employee of a police or fire department. However, the term does not include an employee in an upper level policymaking position.**

Sec. 3. As used in this chapter, "employee organization" means an organization:

- (1) **that includes employees as members; and**
- (2) **whose primary purpose is to represent the members of the organization on issues concerning grievances, wages, rates of pay, hours of employment, conditions of employment, or becoming an exclusive recognized representative.**

Sec. 4. As used in this chapter, "employer" means a unit.

Sec. 5. As used in this chapter, "exclusive recognized representative" means an employee organization elected under section 9 of this chapter.

Sec. 6. As used in this chapter, "strike" means a:

(1) **work stoppage by two (2) or more employees to enforce compliance with demands made on an employer; or**

(2) **temporary stoppage of work activities by two (2) or more employees in protest against an act or condition.**

Sec. 7. (a) Except as provided in section 15 of this chapter, this chapter does not apply to an employer with a population of less than seven thousand (7,000).

(b) This chapter does not apply to an employer that has adopted by:

- (1) **ordinance;**
- (2) **resolution;**
- (3) **amendment; or**
- (4) **executive order;**

provisions and procedures that permit an employee to form, join, or assist an employee organization to bargain collectively.

(c) For:

- (1) **a collective bargaining agreement; or**
- (2) **a memorandum of understanding;**

entered into between an employer and an employee organization or a recognized representative before January 1, 2008, this chapter may not be construed to annul, modify, or limit the agreement or memorandum during the term of the agreement or memorandum.

Sec. 8. (a) All employees have the right to:

- (1) **meet and freely assemble to discuss their interests as employees on the employees' own time;**
- (2) **form an employee organization on the employees' own time; and**
- (3) **join and assist an employee organization.**

(b) The rights guaranteed under subsection (a) include the right to:

- (1) **solicit membership;**
- (2) **join an employee organization to present the view of the employee; and**
- (3) **have dues deducted from employee wages and submitted to the exclusive recognized representative.**

(c) An employee may not be required to:

- (1) **become a member of; or**
- (2) **pay dues to;**

an employee organization.

Sec. 9. (a) An employee organization is the exclusive recognized representative of the employees of an employer if:

- (1) **before January 1, 2008, the employee organization was recognized by the employer as the sole representative of the employer's employees; or**
- (2) **after December 31, 2007, the employee organization is elected to be the exclusive recognized representative under subsection (c).**

(b) After December 31, 2007, an employer shall conduct an election to determine an exclusive recognized representative if at least thirty percent (30%) of the employees of the employer sign a petition requesting such an election. The election shall be conducted at least thirty (30) but not more than sixty (60) days after the employer receives the petition.

(c) An employee organization becomes the exclusive recognized representative of the employees of the employer if it receives more than fifty percent (50%) of the votes cast in an election conducted under subsection (b).

(d) An election under subsection (b) to determine an exclusive recognized representative may not be conducted more often than once every two (2) years.

Sec. 10. This chapter is not intended to circumscribe or modify the existing right of an employer to:

- (1) **direct the work of the employer's employees;**

- (2) hire, promote, demote, transfer, assign, and retain employees in positions;
- (3) suspend, discharge, or otherwise discipline employees for just cause;
- (4) maintain the efficiency of governmental operations;
- (5) relieve employees from duties because of lack of work or for other legitimate reasons; or
- (6) take actions that may be necessary to carry out the mission of the employer in emergencies.

Sec. 11. An employer may not do the following:

- (1) Interfere with, restrain, or coerce employees in the exercise of the rights guaranteed under this chapter.
- (2) Dominate, interfere with, or assist in the formation or administration of an employee organization, or contribute financial or other support to an employee organization. However, an employer may permit employees to meet and confer and represent employee interests during working hours without loss of time or pay.
- (3) Discriminate in regard to hiring or conditions of employment to encourage or discourage membership in an employee organization.
- (4) Discharge or otherwise discriminate against an employee because the employee has filed a complaint, an affidavit, or a petition or has given information or testified under this chapter.
- (5) Refuse to meet and confer in good faith with an exclusive recognized representative.

Sec. 12. (a) An exclusive recognized representative of the employees of an employer that elects to meet and confer with an employer must notify the employer in writing that the exclusive recognized representative intends to exercise its rights under this chapter.

(b) Except as provided by section 13 of this chapter, an employer who has received a written notice under subsection (a) shall meet and confer in good faith at reasonable times, including meeting in advance of the budget making process, to discuss issues and proposals regarding wages, hours of employment, and other conditions and terms of employment with the exclusive recognized representative.

Sec. 13. (a) An employer is not required to meet and confer with an exclusive recognized representative under this chapter unless the exclusive recognized representative has notified the employer in writing that the exclusive recognized representative elects to exercise its rights under this chapter.

(b) Notwithstanding subsection (a), an employer may elect to meet and confer and enter into an agreement under section 12 of this chapter even if the employer did not receive a written notice from an exclusive recognized representative.

(c) Notwithstanding any provision of this chapter, an employer may elect to terminate its duty to meet and confer with an exclusive recognized representative under this chapter if:

- (1) after meeting and conferring with the exclusive recognized representative under section 12 of this chapter, the employer and the exclusive recognized representative are unable to reach a written agreement under this chapter; and
- (2) at least fifty percent (50%) of the members of the legislative body of the employer vote to terminate the employer's duty to meet and confer with the exclusive recognized representative under this chapter and written notice of the action of the legislative body is given to the exclusive recognized representative.

(d) An exclusive recognized representative that receives a termination notice from an employer under subsection (c)(2) must wait at least one (1) year after the date the exclusive recognized representative receives the notice to notify the employer of the exclusive recognized representative's election under subsection (a) to exercise its rights under this chapter.

Sec. 14. (a) As used in this section, "deficit financing" means making expenditures that exceed the money legally available to an employer in any budget year.

(b) An employer may not enter into an agreement under section 12 of this chapter that will place the employer in a position of deficit financing. An agreement is voidable to the extent that an employer must engage in deficit financing to comply with the agreement.

Sec. 15. (a) This section applies to employees of an employer regardless of population.

(b) An employee, an employee organization, or an exclusive recognized representative may not participate in or encourage participation in a strike against an employer.

(c) An employee engaging in a strike is subject to discharge by the employer as provided in IC 36-8-3-4.

(d) An exclusive recognized representative that engages in or sanctions a strike loses the right to represent the employees for at least ten (10) years after the date of the action.

(e) An employer may not pay an employee for days the employee is engaged in a strike.

Sec. 16. The term of any written agreement entered into under section 12 of this chapter may not exceed forty-eight (48) months.

SECTION 2. [EFFECTIVE JULY 1, 2007] (a) This section applies after December 31, 2007.

(b) This act does not:

- (1) apply to or abrogate a collective bargaining agreement or memorandum of understanding; or
- (2) preclude arbitration on a provision in a collective bargaining agreement or memorandum of understanding;

in effect on December 31, 2007.

(c) This SECTION expires July 1, 2008."

Delete pages 2 through 5.

(Reference is to SB 129 as printed February 16, 2007.) and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

CHENEY, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 134, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, delete lines 1 through 17.

Page 2, delete lines 1 through 29.

Page 4, delete line 41.

Renumber all SECTIONS consecutively.

(Reference is to ESB 134 as printed March 27, 2007.) and when so amended that said bill do pass.

Committee Vote: yeas 11, nays 8.

CRAWFORD, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Interstate and International Cooperation, to which was referred Engrossed Senate Bill 180, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 8, nays 0.

E. HARRIS, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Interstate and International Cooperation, to which was referred Engrossed Senate Bill 181, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 9, nays 0.

E. HARRIS, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Family, Children and Human Affairs, to which was referred Engrossed Senate Bill 191, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, line 16, delete "IC 36-2-14-22(c)(1)" and insert **"IC 36-2-14-22.2(c)(1)"**.

Page 2, line 2, delete "IC 36-2-14-22(a);" and insert **"IC 36-2-14-22.2(a);" .**

Page 2, line 4, delete "IC 36-2-14-22(b)." and insert **"IC 36-2-14-22.2(b)." .**

Page 5, line 42, after "available" insert **", upon written request,"**.

Page 6, line 19, delete "autopsy;" and insert **"autopsy report;"**.

Page 7, line 26, delete "IC 36-2-14-22" and insert **"IC 36-2-14-22.2"**.

Page 7, line 28, delete "22." and insert **"22.2."**

Page 8, line 11, delete "provided" and insert **"approved"**.

Page 8, line 15, delete "provided" and insert **"approved"**.

Page 8, line 22, delete "22(a)" and insert **"22.2(a)"**.

Page 8, line 25, delete "22(a)" and insert **"22.2(a)"**.

Page 8, line 25, delete "six (6)" and insert **"one (1) year"**.

Page 8 line 26, delete "months"

Page 8, line 28, delete "22(b)" and insert **"22.2(b)"**.

Page 8, line 30, delete "22(a)" and insert **"22.2(a)"**.

Page 9, line 5, delete "shall" and insert **"may"**.

Page 9, line 27, delete "shall" and insert **"may"**.

(Reference is to SB 191 as reprinted February 9, 2007.) and when so amended that said bill do pass.

Committee Vote: yeas 7, nays 0.

SUMMERS, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred Engrossed Senate Bill 220, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 22, delete "Beginning the July 1 after the Indiana department of" and insert **"State Road 3 north from U.S. 6 to U.S. 20, U.S. 20 west from State Road 3 to State Road 9, State Road 9 north from U.S. 20 to the Michigan state line. However, the total gross weight, with load, of a vehicle or combination of vehicles operated with a special weight permit on these highways may not exceed ninety thousand (90,000) pounds."**

SECTION 2. IC 9-20-5-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. The maximum size and weight limits for vehicles operated with a special weight permit on an extra heavy duty highway are as follows:

(1) A vehicle may not have a maximum wheel weight, unladen or with load, in excess of eight hundred (800) pounds per inch width of tire, measured between the flanges of the rim.

(2) A single axle weight may not exceed eighteen thousand (18,000) pounds.

(3) An axle in an axle combination may not exceed thirteen thousand (13,000) pounds per axle, with the exception of one (1) tandem group that may weigh sixteen thousand (16,000) pounds per axle or a total of thirty-two thousand (32,000) pounds.

(4) **Except as provided in section 4(22) of this chapter**, the total gross weight, with load, of any vehicle or combination of vehicles may not exceed one hundred thirty-four thousand (134,000) pounds.

(5) Axle spacings may not be less than three (3) feet, six (6) inches, between each axle in an axle combination.

(6) Axle spacings may not be less than eight (8) feet between each axle or axle combination.

SECTION 3. IC 9-20-8-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. The maximum length limitations for buses are as follows:

(1) For an articulating bus used for public transportation purposes, sixty-five (65) feet.

~~(2) For a conventional school bus, thirty-eight (38) feet.~~

~~(3) (2) For a transit school bus, forty-two (42) feet.~~

~~(4) (3) For all others, forty-five (45) feet.~~

SECTION 4. THE FOLLOWING ARE REPEALED [EFFECTIVE JULY 1, 2007]: IC 9-13-2-36; IC 9-13-2-186."

Page 2, delete lines 23 through 31.

(Reference is to SB 220 as printed January 31, 2007.) and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

AUSTIN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Local Government, to which was referred Engrossed Senate Bill 261, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 3, line 30, after "(a)" insert **"This section applies only to a condominium located on the shore of a lake located in a township with a population of more than three thousand one hundred (3,100) but less than three thousand eight hundred (3,800) located in a county having a population of more than forty-five thousand (45,000) but less than forty-five thousand nine hundred (45,900)."**

(b)".

Page 3, line 35, delete "seventy-five percent (75%)" and insert **"ninety-five percent (95%)"**.

Page 4, line 2, delete "seventy-five percent (75%)" and insert **"ninety-five percent (95%)"**.

Page 4, line 3, delete "seventy-five percent (75%)" and insert **"ninety-five percent (95%)"**.

Page 4, line 10, delete "(b)" and insert **"(c)"**.

Page 4, line 16, delete "seventy-five percent (75%)" and insert **"ninety-five percent (95%)"**.

Page 4, line 19, delete "(a)(1) or (a)(2)" and insert **"(b)(1) or (b)(2)"**.

Page 4, line 22, delete "(c)" and insert **"(d)"**.

Page 4, line 31, delete "(d)" and insert **"(e)"**.

Page 4, line 34, delete "(a)(1) or (a)(2)" and insert **"(b)(1) or (b)(2)"**.

Page 5, line 27, after "(10)" insert **"This subdivision applies only to a condominium located on the shore of a lake located in a township with a population of more than three thousand one hundred (3,100) but less than three thousand eight hundred (3,800) located in a county having a population of more than forty-five thousand (45,000) but less than forty-five thousand nine hundred (45,900)."**

Page 5, line 30, delete "seventy-five" and insert "**ninety-five**".
 Page 5, line 31, delete "(75%)" and insert "**(95%)**".
 Page 5, line 32, delete "seventy-five percent (75%)" and insert "**ninety-five percent (95%)**".

Page 7, line 4, after "(12)" insert "**This subdivision applies only to a condominium located on the shore of a lake located in a township with a population of more than three thousand one hundred (3,100) but less than three thousand eight hundred (3,800) located in a county having a population of more than forty-five thousand (45,000) but less than forty-five thousand nine hundred (45,900).**".

Page 7, line 7, delete "seventy-five" and insert "**ninety-five**".
 Page 7, line 8, delete "(75%)" and insert "**(95%)**".
 Page 7, line 9, delete "seventy-five percent (75%)" and insert "**ninety-five percent (95%)**".

(Reference is to SB 261 as reprinted February 26, 2007.)
 and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 3.

V. SMITH, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Courts and Criminal Code, to which was referred Engrossed Senate Bill 286, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 12, line 28, delete "may be prosecuted for a" and insert "**who knowingly, intentionally, or recklessly aids, induces, or causes another person to commit an offense under this title commits that offense, even if the other person:**

- (1) has not been prosecuted for the offense;**
- (2) has not been convicted of the offense; or**
- (3) has been acquitted of the offense."**

Page 12, delete line 29.

Page 14, line 33, delete "Class A misdemeanor." and insert "**Class D felony.**".

Page 14, line 39, delete "Class A misdemeanor." and insert "**Class D felony.**".

Page 15, line 3, delete "Class A misdemeanor." and insert "**Class D felony.**".

Page 15, line 19, delete "Class A misdemeanor." and insert "**Class D felony.**".

Page 17, line 6, delete "Class A misdemeanor." and insert "**Class D felony.**".

Page 17, line 32, delete "Class A misdemeanor." and insert "**Class D felony.**".

Page 17, line 38, delete "Class A misdemeanor." and insert "**Class D felony.**".

Page 19, line 10, delete "Class A misdemeanor." and insert "**Class D felony.**".

Page 19, line 22, delete "Class A" and insert "**Class D felony.**".

Page 19, delete line 23.

Page 19, line 29, delete "Class A misdemeanor." and insert "**Class D felony.**".

Page 19, line 36, delete "Class A misdemeanor." and insert "**Class D felony.**".

Page 20, line 9, after "felony." insert "**However, the offense is a Class C felony if it results in the death of another person.**".

Page 20, delete lines 10 through 12.

Page 20, line 13, delete "(c)" and insert "**(b)**".

Page 20, line 17, delete "(d)" and insert "**(c)**".

Page 21, line 3, after "felony." insert "**However, the offense is a Class C felony if it results in the death of another person.**".

Page 21, delete lines 4 through 6.

Page 21, line 7, delete "(c)" and insert "**(b)**".

Page 21, line 14, delete "(d)" and insert "**(c)**".

Page 22, line 1, after "felony." insert "**However, the offense is a Class C felony if it results in the death of another person.**".

Page 22, delete lines 2 through 4.

Page 22, line 5, delete "(c)" and insert "**(b)**".

Page 22, line 9, delete "(d)" and insert "**(c)**".

Page 22, line 39, after "felony." insert "**However, the offense is a Class C felony if it results in the death of another person.**".

Page 22, delete lines 40 through 42.

Page 23, line 1, delete "(c)" and insert "**(b)**".

Page 23, line 5, delete "(d)" and insert "**(c)**".

Page 23, line 20, after "knowingly" delete "," and insert "**or**".

Page 23, line 20, delete ", or recklessly".

Page 23, line 24, delete "that:" and insert ";"

Page 23, delete lines 25 through 26.

Page 23, delete lines 28 through 30.

Page 23, line 31, delete "(c)" and insert "**(b)**".

Page 24, between lines 2 and 3, begin a new paragraph and insert:

"SECTION 31. IC 14-15-2-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 15. (a) Except as provided in subsection (b), a person who violates this chapter commits a Class C infraction.

(b) A person who violates section 7(c) or 8 of this chapter commits a ~~Class B~~ **Class A** infraction. **Notwithstanding IC 34-28-5-4(a), a judgment of at least one thousand dollars (\$1,000) shall be imposed for each Class A infraction committed in violation of section 7(c) or 8 of this chapter."**

Page 28, between lines 18 and 19, begin a new paragraph and insert:

"SECTION 36. IC 35-45-3-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) A person who recklessly, knowingly, or intentionally places or leaves refuse on property of another person, except in a container provided for refuse, commits littering, a Class B infraction. **However, the offense is a Class A infraction if the refuse is placed or left in, on, or within one hundred (100) feet of a body of water that is under the jurisdiction of the:**

(1) department of natural resources; or

(2) United States Army Corps of Engineers.

Notwithstanding IC 34-28-5-4(a), a judgment of at least one thousand dollars (\$1,000) shall be imposed for each Class A infraction committed under this section.

(b) "Refuse" includes solid and semisolid wastes, dead animals, and offal.

(c) Evidence that littering was committed from a moving vehicle other than a public conveyance constitutes prima facie evidence that it was committed by the operator of that vehicle."

Renumber all SECTIONS consecutively.

(Reference is to SB 286 as reprinted February 20, 2007.)
 and when so amended that said bill do pass.

Committee Vote: yeas 12, nays 0.

HOY, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Roads and Transportation, to which was referred Engrossed Senate Bill 315, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 9, after "(7)" insert "**The National Academy of Sciences' Transportation Research Board.**

(8)".

(Reference is to SB 315 as printed February 14, 2007.)

and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 0.

AUSTIN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Engrossed Senate Bill 372, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 10, nays 0.

C. BROWN, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Labor and Employment, to which was referred Engrossed Senate Bill 400, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning workforce development and to make an appropriation.

Page 1, delete lines 1 through 17.

Delete pages 2 through 6.

Page 7, delete lines 1 through 12.

Page 7, line 13, after "SECTION" delete "4." and insert "1.".

Page 7, delete lines 24 through 25.

Page 7, line 26, delete "5." and insert "4.".

Page 7, delete lines 38 through 42, begin a new paragraph and insert:"

Sec. 5. (a) If the department determines that an individual is eligible for unemployment insurance benefits under IC 22-4, the individual may participate in the project.

(b) An individual who participates in the project may participate in the skill remediation components for each skill area in which the individual's skill levels are deficient, as determined by the work keys skills assessment.

(c) An individual who applies for unemployment insurance and is found to be eligible for unemployment insurance benefits may participate in a work keys skills assessment. The individual may participate in a skill remediation component for each occupational area in which the individual's skill levels are deficient, as determined by the work keys skills assessment.

Sec. 6. Each regional workforce board, together with local elected officials, shall develop a plan of short term training options, not to exceed six (6) weeks in length, and placement assistance to provide to individuals who participate in the project. To the extent possible, a regional workforce board shall use existing remediation software and adult education programs for skill remediation under this chapter.

Sec. 7. (a) For purposes of this section, an individual is job attached if the individual:

- (1) expects to be recalled to a job within twelve (12) weeks after becoming separated from employment; and**
- (2) is not required to contact other employers or register for work until after the expiration of twelve (12) weeks;**

as confirmed by the department with the individual's employer.

(b) An individual who is:

- (1) job attached; and**
- (2) temporarily laid off;**

may participate in the project.

Sec. 8. (a) In order to further the project, the department may develop a policy to provide a uniform incentive of up to five hundred dollars (\$500) per individual for participation

in the project.

(b) The department may determine in the policy whether completion of the project is necessary to receive the incentive.

(c) Each year, the department shall pay the incentives set forth in subsection (a) until five million dollars (\$5,000,000) has been paid during that year.

(d) An individual who is job attached may receive the incentive the same as any other individual.

Sec. 9. There is annually appropriated to the department from the state general fund an amount sufficient to implement the duties and obligations of the department under this chapter.

Sec. 10. (a) Not later than June 1 of each year, each regional workforce board shall report to the department in an electronic format on the status of the regional workforce board's programs under this chapter.

(b) Not later than July 1 of each year, the department shall compile the reports submitted under subsection (a) and submit the compilation in an electronic format under IC 5-14-6 to the general assembly.

Sec. 11. The department may adopt rules under IC 4-22-2 to fulfill its duties and obligations under this chapter."

Delete pages 8 through 10.

(Reference is to SB 400 as reprinted February 26, 2007.) and when so amended that said bill do pass.

Committee Vote: yeas 6, nays 5.

CHENEY, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Interstate and International Cooperation, to which was referred Engrossed Senate Bill 411, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 11, delete "in another jurisdiction" and insert "under the law of the United States or in another state or country".

Page 4, line 3, after "(e)" insert "The superintendent of the state police department may terminate an interception under this chapter if the superintendent of the state police department determines that there is probable cause to believe that the allegations concerning the offense that are the basis of the interception are without merit. If an interception of an electronic communication is terminated under this subsection, the law enforcement agency that is the co-applicant for the interception shall reimburse the state police department for the department's expenses incurred in connection with the application for interception, including the costs of removing equipment related to the interception. (f)".

(Reference is to SB 411 as printed February 16, 2007.) and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

E. HARRIS, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Small Business and Economic Development, to which was referred Engrossed Senate Bill 434, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, delete lines 12 through 16, begin a new line block indented and insert:

"If neither the number described in clause (A) nor the number described in clause (B) is available, the bureau

may issue a special identification number for the manufactured home."

Page 3, delete line 6, begin a new line block indented and insert:

"(2) One (1) or more of the following numbers:".

Page 3, delete lines 12 through 16, begin a new line double block indented and insert:

"(C) A special identification number issued by the bureau for the manufactured home."

Page 4, between lines 21 and 22, begin a new paragraph and insert:

"SECTION 7. IC 36-7-4-201.2 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 201.2. (a) As used in this section, "home occupation" means an occupation, profession, activity, or use that:**

- (1) is conducted entirely within an enclosed single family residence;**
- (2) is clearly an incidental and secondary use of the single family residence; and**
- (3) does not alter the exterior of the property or affect the residential character of the neighborhood.**

(b) Subject to subsection (c), a zoning ordinance must allow one (1) or more occupants of a single family residence to engage in a home occupation of providing instruction in music.

(c) This section does not prohibit a unit from imposing conditions concerning noise, advertising, traffic, hours of operation, or any other condition relevant to the use of a single family residence for a home occupation.

(d) A zoning ordinance in violation of this section is void."

Renumber all SECTIONS consecutively.

(Reference is to SB 434 as reprinted February 2, 2007.) and when so amended that said bill do pass.

Committee Vote: yeas 9, nays 2.

ORENTLICHER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred Engrossed Senate Bill 451, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 2, line 36, delete "(g)", begin a new paragraph and insert: "SECTION 2. IC 25-35.6-1-8.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 8.5. (a)"**.

Page 2, between lines 40 and 41, begin a new paragraph and insert:

"(b) To be eligible to receive an emergency communication disorder permit, an individual must:

- (1) have a bachelor's degree in speech, language, and hearing sciences or an equivalent bachelor's degree in this subject area; and**
- (2) be enrolled, and have submitted a verified plan of study, in a graduate program in communication disorders.**

(c) An individual with an emergency communication disorder permit may not provide services beyond the scope of the individual's education and training.

(d) An individual who is issued an emergency communication disorder permit shall have accessibility to a licensed speech-language pathologist in order to collaborate on the provision of services at no additional cost to the school corporation.

(e) An individual with an emergency communication disorder permit may not use a title that states or implies that the individual is a licensed speech-language pathologist.

(f) This section expires June 30, 2018."

Renumber all SECTIONS consecutively.

(Reference is to SB 451 as printed February 16, 2007.) and when so amended that said bill do pass.

Committee Vote: yeas 10, nays 0.

PORTER, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred Engrossed Senate Bill 500, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning economic matters.

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 5-1-14-15 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 15. (a) The fiscal body of a county may adopt an ordinance to require:**

- (1) any political subdivision in the county that is identified in the ordinance; or**

- (2) any entity:**

(A) affiliated with; or

(B) controlled by;

any political subdivision that is identified in the ordinance and issues the types of obligations that are identified in the ordinance;

to recover, after the effective date of the ordinance, on the obligation issued by the political subdivision or entity an amount that may not exceed five-tenths of one percent (0.5%) of the amount of the obligation issued.

(b) An amount recovered under an ordinance adopted under subsection (a) is considered a cost of issuance.

(c) In the case of a county that does not contain a consolidated city, sixty percent (60%) of the amounts recovered under this section in the county shall be distributed to the units in the county that have established an affordable housing fund under IC 5-20-5-15.5 for deposit in the appropriate fund. The amount to be distributed to a unit is the amount available for distribution multiplied by a fraction. The numerator of the fraction is the population of the unit. The denominator of the fraction is the population of all units in the county that have established an affordable housing fund. The population to be used for a county that establishes an affordable housing fund is the population of the county outside any city or town that has established an affordable housing fund.

(d) In the case of a county that contains a consolidated city, sixty percent (60%) of the amounts recovered under this section in the county shall be deposited in the housing trust fund established under IC 36-7-15.1-35.5(e) for the purposes of the fund.

(e) In any county, forty percent (40%) of the amounts recovered under this section in the county shall be transferred to the treasurer of state for deposit in the affordable housing and community development fund established under IC 5-20-4-7 for the purposes of the fund.

SECTION 2. IC 5-13-12-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 4. (a) The secretary-investment manager shall administer, manage, and direct the affairs and activities of the board under the policies and under the control and direction of the board. In carrying out these duties, the secretary-investment manager has the power to do the following:**

- (1) Approve all accounts for salaries and allowable**

expenses of the board, including, but not limited to:

(A) the employment of general or special attorneys, consultants, and employees and agents as may be necessary to assist the secretary-investment manager in carrying out the duties of that office and to assist the board in its consideration of applications for a guarantee of an industrial development obligation or credit enhancement obligation guarantee; and

(B) the setting of compensation of persons employed under ~~subdivision clause~~ (A).

(2) Approve all expenses incidental to the operation of the public deposit insurance fund.

(3) Perform other duties and functions that may be delegated to the secretary-investment manager by the board or that are necessary to carry out the duties of the secretary-investment manager under this chapter.

(b) The secretary-investment manager shall keep a record of the proceedings of the board, and shall maintain and be custodian of all books, documents, and papers filed with the board, and its official seal. The secretary-investment manager may make copies of all minutes and other records and documents of the board, and may give certificates under seal of the board to the effect that the copies are true copies. All persons dealing with the board may rely upon the certificates.

(c) Each year, beginning in 2001, ~~and ending in 2011~~, after the treasurer of state prepares the annual report required by IC 4-8.1-2-14, the secretary-investment manager shall determine:

(1) the amount of interest earned by the public deposit insurance fund during the state fiscal year ending on the preceding June 30, after deducting:

(A) all expenses and other costs of the board for depositories that were not paid from other sources during that state fiscal year; and

(B) all expenses and other costs associated with the Indiana education savings authority that were not paid from other sources during that state fiscal year; and

(2) the amount of interest earned during the state fiscal year ending on the preceding June 30 by the pension distribution fund established by subsection ~~(g)~~ (i).

(d) On or before November 1 of each year, beginning in 2001 and ending in 2011, the public employees' retirement fund shall provide a report to the secretary-investment manager concerning the individual and aggregate payments made by all units of local government (as defined in IC 5-10.3-11-3) during the preceding calendar year for benefits under the police and firefighter pension funds established by IC 36-8-6, IC 36-8-7, and IC 36-8-7.5.

(e) On or before the last business day of November of each year, beginning in 2001 and ending in 2011, the secretary-investment manager shall compute the amount of earned interest to be distributed under this section to each unit of local government (as defined in IC 5-10.3-11-3) in accordance with subsection ~~(h)~~ (j) according to the following formula:

STEP ONE: Add the amount determined under subsection (c)(1) to the amount determined under subsection (c)(2).

STEP TWO: Divide the STEP ONE sum by the aggregate amount of payments made by all units of local government during the preceding calendar year for benefits under the police and firefighter pension funds established by IC 36-8-6, IC 36-8-7, and IC 36-8-7.5, as reported under subsection (d).

STEP THREE: Multiply the STEP TWO quotient by the amount of payments made by each unit of local government during the preceding calendar year for benefits under the police and firefighter pension funds established by IC 36-8-6, IC 36-8-7, and IC 36-8-7.5, as reported under subsection (d).

(f) On or before the last business day of November of each year, beginning in 2012, the secretary-investment manager shall compute the amount of earned interest to be distributed

under this section to the treasurer of state for deposit in the affordable housing and community development fund established under IC 5-20-4-7 in an amount equal to the amount determined under subsection (c)(1).

~~(f)~~ **(g)** Subject to subsection ~~(f)~~ (l), on or before the last business day of December of each year, beginning in 2001 and ending in 2011, the secretary-investment manager shall provide to the auditor of state:

(1) a report setting forth the amounts to be distributed to units of local government, as determined under subsection (e); and

(2) a check payable from the public deposit insurance fund to the pension distribution fund established by subsection ~~(g)~~ (i) in an amount equal to the amount determined under subsection (c)(1).

(h) Subject to subsection (l), on or before the last business day of December of each year, beginning in 2012, the secretary-investment manager shall provide to the auditor of state a report setting forth the amounts to be distributed to the affordable housing and community development fund, as determined under subsection (f).

~~(g)~~ **(i)** The pension distribution fund is established. The pension distribution fund shall be administered by the treasurer of state. The treasurer of state shall invest money in the pension distribution fund not currently needed to meet the obligations of the pension distribution fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the pension distribution fund. Money in the pension distribution fund at the end of a state fiscal year does not revert to the state general fund.

~~(h)~~ **(j)** Subject to subsection ~~(f)~~ (l), on June 30 and October 1 of each year, beginning in 2002 and ending in 2012, the auditor of state shall distribute in two (2) equal installments from the pension distribution fund to the fiscal officer of each unit of local government identified under subsection (d) the amount computed for that unit under subsection (e) in November of the preceding year.

~~(i)~~ **(k)** Each unit of local government shall deposit distributions received under subsection ~~(h)~~ (j) in the pension fund or funds identified by the secretary-investment manager and shall use those distributions to pay a portion of the obligations with respect to the pension fund or funds.

~~(j)~~ **(l)** Before providing a check to the auditor of state under subsection ~~(f)~~ ~~(2)~~ **(g)(2)** in December of any year, **year ending before January 1, 2012, or reporting a distribution under subsection (h) in December of any year beginning after December 31, 2011**, the secretary-investment manager shall determine:

(1) the total amount of payments made from the public deposit insurance fund under IC 5-13-13-3 after June 30, ~~2001~~, **2001, in the case of a determination made under this subsection for a year ending before January 1, 2012, or after June 30, 2012, in the case of a determination made under this subsection for a year beginning after December 31, 2011;**

(2) the total amount of payments received by the board for depositories and deposited in the public deposit insurance fund under IC 5-13-13-3 after June 30, ~~2001~~, **2001, in the case of a determination made under this subsection for a year ending before January 1, 2012, or after June 30, 2012, in the case of a determination made under this subsection for a year beginning after December 31, 2011; and**

(3) the total amount of interest earned by the public deposit insurance fund after the first of the payments described in subdivision (1).

If the total amount of payments determined under subdivision (1) less the total amount of payments determined under subdivision (2) (referred to in this subsection as the "net draw on the fund")

exceeds ten million dollars (\$10,000,000) and also exceeds the total amount of interest determined under subdivision (3), the secretary-investment manager may not provide a check to the auditor of state under subsection ~~(f)(2)~~ **(g)(2) or make a distribution under subsection (h), as the case may be,** and a distribution may not be made from the pension distribution fund under subsection ~~(h)~~ **(j)** in the following calendar year until the total amount of interest earned by the public deposit insurance fund equals the net draw on the fund. A check may not be provided under subsection ~~(f)(2)~~ **(g)(2)** and a distribution may not be made under subsection ~~(f)~~ **(g) or (h)** in any subsequent calendar year if a study conducted by the board under section 7(b) of this chapter demonstrates that payment of the distribution would reduce the balance of the public deposit insurance fund to a level insufficient to ensure the safekeeping and prompt payment of public funds to the extent they are not covered by insurance of any federal deposit insurance agency.

SECTION 3. IC 5-20-4-7, AS AMENDED BY P.L.1-2006, SECTION 114, AND AS AMENDED BY P.L.181-2006, SECTION 31, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 7. (a) There is established the *affordable housing trust and community development* fund. The fund shall be administered by the *Indiana housing and community development* authority under the direction of the *Indiana housing and community development* authority's board.

(b) The fund consists of the following resources:

- (1) Appropriations from the general assembly.
- (2) Gifts, ~~and~~ grants, ~~to the fund,~~ and donations of any tangible or intangible property from public or private sources.
- (3) Investment income earned on the fund's assets.
- (4) Repayments of loans from the fund.
- (5) Funds borrowed from the board for depositories insurance fund (IC 5-13-12-7).
- (6) Money deposited in the fund under IC 36-2-7-10.**
- (7) Money deposited in the fund under IC 5-1-14-15.**
- (8) Money deposited in the fund under IC 5-13-12-4.**
- (9) Money deposited in the fund under IC 6-2.5-10-1(a).**
- (10) Money transferred to the fund under IC 32-34-1-34(g).**

(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

(d) The money remaining in the fund at the end of a fiscal year does not revert to the state general fund.

(e) Interest earned on the fund may be used by the *Indiana housing and community development* authority to pay expenses incurred in the administration of the fund.

SECTION 4. IC 5-20-5-15.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 15.5. (a) The governing body of an eligible entity that receives a grant under this chapter shall, by resolution, establish an affordable housing fund to be administered, subject to the terms of the resolution, by a department, a division, or an agency designated by the governing body.

(b) The affordable housing fund consists of:

- (1) payments in lieu of taxes deposited in the fund under IC 36-1-8-14.2;
- (2) gifts and grants to the fund;
- (3) investment income earned on the fund's assets; ~~and~~
- (4) money deposited in the fund under IC 36-2-7-10;**
- (5) money deposited in the fund under IC 5-1-14-15(c);**
- and**
- ~~(4)~~ **(6)** other funds from sources approved by the commission.

(c) The governing body shall, by resolution, establish uses for the affordable housing fund. However, the uses must be limited to:

- (1) providing financial assistance to those individuals and families whose income is at or below eighty percent (80%) of the county's median income for individuals and families, respectively, to enable those individuals and families to purchase or lease residential units within the county;
- (2) paying expenses of administering the fund;
- (3) making grants, loans, and loan guarantees for the development, rehabilitation, or financing of affordable housing for individuals and families whose income is at or below eighty percent (80%) of the county's median income for individuals and families, respectively, including the elderly, persons with disabilities, and homeless individuals and families; and
- (4) providing technical assistance to nonprofit developers of affordable housing.

(d) The county treasurer shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested."

Page 2, between lines 5 and 6, begin a new paragraph and insert:

"SECTION 6. IC 5-28-15-5, AS ADDED BY P.L.214-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. (a) The board has the following powers, in addition to other powers that are contained in this chapter:

- (1) To review and approve or reject all applicants for enterprise zone designation, according to the criteria for designation that this chapter provides.
- (2) To waive or modify rules as provided in this chapter.
- (3) To provide a procedure by which enterprise zones may be monitored and evaluated on an annual basis.
- (4) To adopt rules for the disqualification of a zone business from eligibility for any or all incentives available to zone businesses, if that zone business does not do one
 - (1) of the following:
 - (A) If all its incentives, as contained in the summary required under section 7 of this chapter, exceed one thousand dollars (\$1,000) in any year, pay a registration fee to the board in an amount equal to one percent (1%) of all its incentives.
 - (B) Use all its incentives, except for the amount of the registration fee, for its property or employees in the zone.
 - (C) Remain open and operating as a zone business for twelve (12) months of the assessment year for which the incentive is claimed.
- (5) To disqualify a zone business from eligibility for any or all incentives available to zone businesses in accordance with the procedures set forth in the board's rules.
- (6) After a recommendation from a U.E.A., to modify an enterprise zone boundary if the board determines that the modification:
 - (A) is in the best interests of the zone; and
 - (B) meets the threshold criteria and factors set forth in section 9 of this chapter.
- (7) To employ staff and contract for services.
- (8) To receive funds from any source and expend the funds for the administration and promotion of the enterprise zone program.
- (9) To make determinations under IC 6-3.1-11 concerning the designation of locations as industrial recovery sites and the availability of the credit provided by IC 6-1.1-20.7 to persons owning inventory located on an industrial recovery site.
- (10) To make determinations under IC 6-1.1-20.7 and IC 6-3.1-11 concerning the disqualification of persons from claiming credits provided by those chapters in appropriate cases.
- (11) To make determinations under IC 6-3.1-11.5

concerning the designation of locations as military base recovery sites and the availability of the credit provided by IC 6-3.1-11.5 to persons making qualified investments in military base recovery sites.

(12) To make determinations under IC 6-3.1-11.5 concerning the disqualification of persons from claiming the credit provided by IC 6-3.1-11.5 in appropriate cases.

(b) In addition to a registration fee paid under subsection (a)(4)(A), each zone business that receives an incentive described in section 3 of this chapter shall assist the zone U.E.A. in an amount determined by the legislative body of the municipality in which the zone is located. If a zone business does not assist a U.E.A., the legislative body of the municipality in which the zone is located may pass an ordinance disqualifying a zone business from eligibility for all credits or incentives available to zone businesses. If a legislative body disqualifies a zone business under this subsection, the legislative body shall notify the board, the department of local government finance, and the department of state revenue in writing not more than thirty (30) days after the passage of the ordinance disqualifying the zone business. Disqualification of a zone business under this section is effective beginning with the taxable year in which the ordinance disqualifying the zone business is adopted.

(c) The legislative body of the municipality in which a zone is located may adopt an ordinance requiring each zone business that receives an incentive described in section 3 of this chapter to provide assistance to a nonprofit corporation that:

- (1) served the zone as a U.E.A. before incorporating as a nonprofit corporation; and**
- (2) continues to operate after the expiration of the zone as permitted under section 14(b)(3) of this chapter.**

With the approval of the legislative body, a nonprofit corporation receiving assistance under this subsection may assign any amount of the assistance to another nonprofit corporation.

SECTION 7. IC 6-1.1-12.1-1, AS AMENDED BY P.L.154-2006, SECTION 24, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007 (RETROACTIVE)]: Sec. 1. For purposes of this chapter:

(1) "Economic revitalization area" means an area which is within the corporate limits of a city, town, or county which has become undesirable for, or impossible of, normal development and occupancy because of a lack of development, cessation of growth, deterioration of improvements or character of occupancy, age, obsolescence, substandard buildings, or other factors which have impaired values or prevent a normal development of property or use of property. The term "economic revitalization area" also includes:

- (A) any area where a facility or a group of facilities that are technologically, economically, or energy obsolete are located and where the obsolescence may lead to a decline in employment and tax revenues; and
 - (B) a residentially distressed area, except as otherwise provided in this chapter.
- (2) "City" means any city in this state, and "town" means any town incorporated under IC 36-5-1.
- (3) "New manufacturing equipment" means tangible personal property that a deduction applicant:

- (A) installs after February 28, 1983, and on or before the approval deadline determined under section 9 of this chapter, in an area that is declared an economic revitalization area after February 28, 1983, in which a deduction for tangible personal property is allowed;
- (B) uses in the direct production, manufacture, fabrication, assembly, extraction, mining, processing, refining, or finishing of other tangible personal property, including but not limited to use to dispose of solid waste

or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products;

(C) acquires for use as described in clause (B):

- (i) in an arms length transaction from an entity that is not an affiliate of the deduction applicant for use as described in clause (B); and if the tangible personal property has been previously used in Indiana before the installation described in clause (A); or**
- (ii) in any other manner if the tangible personal property has never been previously used in Indiana before the installation described in clause (A); and**

(D) has never used for any purpose in Indiana before the installation described in clause (A).

However, notwithstanding any other law, the term includes tangible personal property that is used to dispose of solid waste or hazardous waste by converting the solid waste or hazardous waste into energy or other useful products and was installed after March 1, 1993, and before March 2, 1996, even if the property was installed before the area where the property is located was designated as an economic revitalization area or the statement of benefits for the property was approved by the designating body.

(4) "Property" means a building or structure, but does not include land.

(5) "Redevelopment" means the construction of new structures, in economic revitalization areas, either:

- (A) on unimproved real estate; or
- (B) on real estate upon which a prior existing structure is demolished to allow for a new construction.

(6) "Rehabilitation" means the remodeling, repair, or betterment of property in any manner or any enlargement or extension of property.

(7) "Designating body" means the following:

- (A) For a county that does not contain a consolidated city, the fiscal body of the county, city, or town.
- (B) For a county containing a consolidated city, the metropolitan development commission.

(8) "Deduction application" means:

- (A) the application filed in accordance with section 5 of this chapter by a property owner who desires to obtain the deduction provided by section 3 of this chapter;
- (B) the application filed in accordance with section 5.4 of this chapter by a person who desires to obtain the deduction provided by section 4.5 of this chapter; or
- (C) the application filed in accordance with section 5.3 of this chapter by a property owner that desires to obtain the deduction provided by section 4.8 of this chapter.

(9) "Designation application" means an application that is filed with a designating body to assist that body in making a determination about whether a particular area should be designated as an economic revitalization area.

(10) "Hazardous waste" has the meaning set forth in IC 13-11-2-99(a). The term includes waste determined to be a hazardous waste under IC 13-22-2-3(b).

(11) "Solid waste" has the meaning set forth in IC 13-11-2-205(a). However, the term does not include dead animals or any animal solid or semisolid wastes.

(12) "New research and development equipment" means tangible personal property that:

- (A) a deduction applicant installs after June 30, 2000, and on or before the approval deadline determined under section 9 of this chapter, in an economic revitalization area in which a deduction for tangible personal property is allowed;
- (B) consists of:
 - (i) laboratory equipment;
 - (ii) research and development equipment;
 - (iii) computers and computer software;

- (iv) telecommunications equipment; or
- (v) testing equipment;
- (C) the deduction applicant uses in research and development activities devoted directly and exclusively to experimental or laboratory research and development for new products, new uses of existing products, or improving or testing existing products;
- (D) the deduction applicant acquires **for purposes described in this subdivision:**

(i) in an arms length transaction from an entity that is not an affiliate of the deduction applicant ~~for purposes described in this subdivision; and if the tangible personal property has been previously used in Indiana before the installation described in clause (A); or~~

(ii) **in any other manner if the tangible personal property has never been previously used in Indiana before the installation described in clause (A); and**

- (E) the deduction applicant **has** never used for any purpose in Indiana before the installation described in clause (A).

The term does not include equipment installed in facilities used for or in connection with efficiency surveys, management studies, consumer surveys, economic surveys, advertising or promotion, or research in connection with literacy, history, or similar projects.

(13) "New logistical distribution equipment" means tangible personal property that:

- (A) a deduction applicant installs after June 30, 2004, and on or before the approval deadline determined under section 9 of this chapter, in an economic revitalization area in which a deduction for tangible personal property is allowed;

(B) consists of:

- (i) racking equipment;
- (ii) scanning or coding equipment;
- (iii) separators;
- (iv) conveyors;
- (v) fork lifts or lifting equipment (including "walk behinds");
- (vi) transitional moving equipment;
- (vii) packaging equipment;
- (viii) sorting and picking equipment; or
- (ix) software for technology used in logistical distribution;

(C) the deduction applicant acquires **for the storage or distribution of goods, services, or information:**

(i) in an arms length transaction from an entity that is not an affiliate of the deduction applicant ~~and uses for the storage or distribution of goods, services, or information; and if the tangible personal property has been previously used in Indiana before the installation described in clause (A); and~~

(ii) **in any other manner if the tangible personal property has never been previously used in Indiana before the installation described in clause (A); and**

- (D) the deduction applicant **has** never used for any purpose in Indiana before the installation described in clause (A).

(14) "New information technology equipment" means tangible personal property that:

- (A) a deduction applicant installs after June 30, 2004, and on or before the approval deadline determined under section 9 of this chapter, in an economic revitalization area in which a deduction for tangible personal property is allowed;
- (B) consists of equipment, including software, used in

the fields of:

- (i) information processing;
- (ii) office automation;
- (iii) telecommunication facilities and networks;
- (iv) informatics;
- (v) network administration;
- (vi) software development; and
- (vii) fiber optics;

(C) the deduction applicant acquires in an arms length transaction from an entity that is not an affiliate of the deduction applicant; and

(D) the deduction applicant never used for any purpose in Indiana before the installation described in clause (A).

(15) "Deduction applicant" means an owner of tangible personal property who makes a deduction application.

(16) "Affiliate" means an entity that effectively controls or is controlled by a deduction applicant or is associated with a deduction applicant under common ownership or control, whether by shareholdings or other means.

(17) "Eligible vacant building" means a building that:

(A) is zoned for commercial or industrial purposes; and

(B) is unoccupied for at least one (1) year before the owner of the building or a tenant of the owner occupies the building, as evidenced by a valid certificate of occupancy, paid utility receipts, executed lease agreements, or any other evidence of occupation that the department of local government finance requires.

SECTION 8. IC 6-1.1-36-12, AS AMENDED BY P.L.154-2006, SECTION 54, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 12. (a) A board of county commissioners, a county assessor, or an elected township assessor may enter into a contract for the discovery of property that has been undervalued or omitted from assessment. The contract must prohibit payment to the contractor for discovery of undervaluation or omission with respect to a parcel or personal property return before all appeals of the assessment of the parcel or the assessment under the return have been finalized. The contract may require the contractor to:

- (1) examine and verify the accuracy of personal property returns filed by taxpayers with a township assessor of a township in the county **or with the county assessor**; and
- (2) compare a return with the books **and records** of the taxpayer and with personal property owned, held, possessed, controlled, or occupied by the taxpayer.

(b) The actions of a contractor under subsection (a)(1) or (a)(2) must be limited in scope to the three (3) assessment years ending before January 1 of the calendar year in which the taxpayer receives notice of the contractor's actions. Notice provided under this section must be in writing and must list each year for which returns and other records may be reviewed under subsection (a). For purposes of this subsection, notice is considered to have been received by the taxpayer as of the date of the notice.

(c) IC 6-1.1-9-3 does not apply to a contractor's actions under subsection (a).

(d) This subsection applies if funds are not appropriated for payment of services performed under a contract described in subsection (a). The county auditor may create a special nonreverting fund in which the county treasurer shall deposit the amount of taxes, including penalties and interest, that result from additional assessments on undervalued or omitted property collected from all taxing jurisdictions in the county after deducting the amount of any property tax credits that reduce the owner's property tax liability for the undervalued or omitted property. The fund remains in existence during the term of the contract. Distributions shall be made from the fund without appropriation only for the following purposes **and in the following order:**

- (1) **First**, for all contract fees and other costs related to the

contract.

(2) Second, for deposit in the county's reassessment fund. The amount deposited in the county's reassessment fund under this subdivision may not exceed twenty percent (20%) of the remaining money collected as a result of a contract entered into under this section.

~~(2)~~ **(e)** After the payments required by ~~subdivision (1)~~ **subsection (d)** have been made and the contract has expired, the county auditor shall distribute all money remaining in the fund to the appropriate taxing units in the county using the property tax rates of each taxing unit in effect at the time of the distribution.

(f) If the money in the fund established under subsection (d) is insufficient to pay the fees and costs related to a contract described in subsection (a), the county may pay the remaining fees and costs from the county's reassessment fund.

~~(e)~~ **(g)** A board of county commissioners, a county assessor, or an elected township assessor may not contract for services under subsection (a) on a percentage basis.

(h) The department shall adopt rules under IC 4-22-2 to govern the certification of persons who wish to obtain a contract under this section.

(i) IC 6-1.1-9-10 applies to this section.

SECTION 9. IC 6-1.1-45-9, AS AMENDED BY P.L.154-2006, SECTION 60, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 9. (a) Subject to subsection (c), a taxpayer that makes a qualified investment is entitled to a deduction from the assessed value of the taxpayer's enterprise zone property located at the enterprise zone location for which the taxpayer made the qualified investment. The amount of the deduction is equal to the remainder of:

- (1) the total amount of the assessed value of the taxpayer's enterprise zone property assessed at the enterprise zone location on a particular assessment date; minus
- (2) the total amount of the base year assessed value for the enterprise zone location.

(b) To receive the deduction allowed under subsection (a) for a particular year, a taxpayer must comply with the conditions set forth in this chapter.

(c) A taxpayer that makes a qualified investment in an enterprise zone established under IC 5-28-15-11 that is under the jurisdiction of a military base reuse authority board created under IC 36-7-14.5 or IC 36-7-30-3 is entitled to a deduction under this section only if the deduction is approved by the military base reuse authority board.

(d) Except as provided in subsection (c), a taxpayer that makes a qualified investment at an enterprise zone location that is located within an allocation area, as defined by IC 12-19-1.5-1, is entitled to a deduction under this section only if the deduction is approved by the governing body of the allocation area.

SECTION 10. IC 6-1.1-45-10, AS ADDED BY P.L.214-2005, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 10. (a) A taxpayer that desires to claim the deduction provided by section 9 of this chapter for a particular year shall file a certified application, on forms prescribed by the department of local government finance, with the auditor of the county where the property for which the deduction is claimed was located on the assessment date. The application may be filed in person or by mail. If mailed, the mailing must be postmarked on or before the last day for filing. **Except as provided in subsections (c) and (d), the application must be filed before May 15 of the assessment year to obtain the deduction.**

(b) A taxpayer shall include on an application filed under this section all information that the department of local government finance and the corporation require to determine eligibility for the deduction provided under this chapter.

(c) The county auditor may grant a taxpayer an extension of not more than thirty (30) days to file the taxpayer's application if:

- (1) the taxpayer submits a written application for an extension before May 15 of the assessment year; and**
- (2) the taxpayer is prevented from filing a timely application because of sickness, absence from the county, or any other good and sufficient reason.**

(d) An urban enterprise association created under IC 5-28-15-13 may by resolution waive failure to file a:

- (1) timely; or**
- (2) complete;**

deduction application under this section. Before adopting a waiver under this section, the urban enterprise association shall conduct a public hearing on the waiver.

SECTION 11. IC 6-1.1-45-12, AS ADDED BY P.L.214-2005, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE MARCH 1, 2007 (RETROACTIVE)]: Sec. 12. **(a) Subject to subsection (b), a taxpayer may claim a deduction under this chapter for property other than property located in a consolidated city for an assessment date that occurs after the expiration of the enterprise zone in which the enterprise zone property for which the taxpayer made the qualified investment is located.**

(b) A taxpayer may not claim a deduction under this chapter for more than ten (10) years."

Page 5, delete lines 37 through 42.

Page 6, delete lines 1 through 34.

Page 9, delete lines 29 through 42.

Page 10, delete lines 1 through 7.

Page 12, delete lines 10 through 40, begin a new paragraph and insert:

"SECTION 15. IC 6-2.5-6-9, AS AMENDED BY P.L.162-2006, SECTION 23, AND AS AMENDED BY P.L.184-2006, SECTION 2, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2007 (RETROACTIVE)]: Sec. 9. (a) In determining the amount of state gross retail and use taxes which a retail merchant must remit under section 7 of this chapter, the retail merchant shall, subject to subsections (c) and (d), deduct from the retail merchant's gross retail income from retail transactions made during a particular reporting period, an amount equal to the retail merchant's receivables which:

- (1) resulted from retail transactions in which the retail merchant did not collect the state gross retail or use tax from the purchaser;
- (2) resulted from retail transactions on which the retail merchant has previously paid the state gross retail or use tax liability to the department; and
- (3) were written off as an uncollectible debt for federal tax purposes under Section 166 of the Internal Revenue Code during the particular reporting period.

(b) If a retail merchant deducts a receivable under subsection (a) and subsequently collects all or part of that receivable, then the retail merchant shall, subject to subsection (d)(6), include the amount collected as part of the retail merchant's gross retail income from retail transactions for the particular reporting period in which the retail merchant makes the collection.

(c) This subsection applies only to retail transactions occurring after *December 31, 2006. June 30, 2007.* As used in this subsection, "affiliated group" means any combination of the following:

- (1) An affiliated group within the meaning provided in Section 1504 of the Internal Revenue Code (except that the ownership percentage in Section 1504(a)(2) of the Internal Revenue Code shall be determined using fifty percent (50%) instead of eighty percent (80%)). ~~or~~

(2) A relationship described in Section 267(b)(11) of the Internal Revenue Code.

~~(2)~~ (3) Two (2) or more partnerships (as defined in IC 6-3-1-19), including limited liability companies and limited liability partnerships, that have the same degree of mutual ownership as an affiliated group described in subdivision (1), as determined under the rules adopted by the department.

(4) A controlled corporate group (as defined in Section 267(f) of the Internal Revenue Code).

The right to a deduction under this section is not assignable to an individual or entity that is not part of the same affiliated group as the assignor.

(d) The following provisions apply to a deduction for a receivable treated as uncollectible debt under subsection (a):

- (1) The deduction does not include interest.
- (2) The amount of the deduction shall be determined in the manner provided by Section 166 of the Internal Revenue Code for bad debts but shall be adjusted to:

(A) exclude:

- ~~(A)~~ (i) financing charges or interest;
- ~~(B)~~ (ii) sales or use taxes charged on the purchase price;
- ~~(C)~~ (iii) uncollectible amounts on property that remain in the possession of the seller until the full purchase price is paid;
- ~~(D)~~ (iv) expenses incurred in attempting to collect any debt; and
- ~~(E)~~ (v) repossessed property; and

(B) include amounts previously deducted for federal income tax purposes under Section 165 of the Internal Revenue Code by a retail merchant or a member of a retail merchant's affiliated group (as defined in subsection (c)) and not previously allowed as a deduction under this section.

(3) The deduction shall be claimed on the return for the period during which the receivable is written off as uncollectible in the claimant's books and records and is eligible to be deducted for federal income tax purposes. For purposes of this subdivision, a claimant who is not required to file federal income tax returns may deduct an uncollectible receivable on a return filed for the period in which the receivable is written off as uncollectible in the claimant's books and records and would be eligible for a bad debt deduction for federal income tax purposes if the claimant were required to file a federal income tax return.

(4) If the amount of uncollectible receivables claimed as a deduction by a retail merchant for a particular reporting period exceeds the amount of the retail merchant's taxable sales for that reporting period, the retail merchant may file a refund claim under IC 6-8-1-9. However, the deadline for the refund claim shall be measured from the due date of the return for the reporting period on which the deduction for the uncollectible receivables could first be claimed.

(5) If a retail merchant's filing responsibilities have been assumed by a certified service provider (as defined in IC 6-2.5-11-2), the certified service provider may claim, on behalf of the retail merchant, any deduction or refund for uncollectible receivables provided by this section. The certified service provider must credit or refund the full amount of any deduction or refund received to the retail merchant.

(6) For purposes of reporting a payment received on a previously claimed uncollectible receivable, any payments made on a debt or account shall be applied first proportionally to the taxable price of the property and the state gross retail tax or use tax thereon, and secondly to interest, service charges, and any other charges.

(7) A retail merchant claiming a deduction for an uncollectible receivable may allocate that receivable among the states that are members of the streamlined sales and use

tax agreement if the books and records of the retail merchant support that allocation.

SECTION 16. IC 6-2.5-6-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 10. (a) In order to compensate retail merchants for collecting and timely remitting the state gross retail tax and the state use tax, every retail merchant, except a retail merchant referred to in subsection (c), is entitled to deduct and retain from the amount of those taxes otherwise required to be remitted under IC 6-2.5-7-5 or under this chapter, if timely remitted, a retail merchant's collection allowance.

(b) The allowance equals ~~eighty-three hundredths percent (0.83%)~~ **a percentage** of the retail merchant's state gross retail and use tax liability accrued during a reporting period, **specified as follows:**

(1) Eighty-three hundredths percent (0.83%), until the retail merchant's state gross retail and use tax liability accrued during the calendar year of the reporting period reaches seven hundred fifty thousand dollars (\$750,000).

(2) Thirteen-hundredths percent (0.13%) after the retail merchant's state gross retail and use tax liability accrued during the calendar year of the reporting period exceeds seven hundred fifty thousand dollars (\$750,000).

(c) A retail merchant described in IC 6-2.5-4-5 or IC 6-2.5-4-6 is not entitled to the allowance provided by this section.

SECTION 17. IC 6-2.5-10-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. (a) The department shall account for all state gross retail and use taxes that it collects. **For each periodic remittance collected from a retail merchant under IC 6-2.5-6-1, the department shall calculate an amount equal to the difference between:**

(1) an amount equal to:

(A) the retail merchant's state gross retail and use tax liability for the reporting period, before applying the allowance permitted under IC 6-2.5-6-10; multiplied by

(B) eighty-three hundredths percent (0.83%); minus

(2) an amount equal to:

(A) the retail merchant's state gross retail and use tax liability for the reporting period, before applying the allowance permitted under IC 6-2.5-6-10; multiplied by

(B) the percentage allowance to which the retail merchant is entitled under IC 6-2.5-6-10 for the particular reporting period.

From the amount remitted by the retail merchant under IC 6-2.5-6-1 for the reporting period, the department shall, before making the deposits required under subsection (b), deposit an amount equal to the amount determined under this subsection in the affordable housing and community development fund established by IC 5-20-4-7.

(b) After making any deposit in the affordable housing and community development fund required under subsection (a), the department shall deposit those collections the state gross retail and use taxes collected in the following manner:

(1) Fifty percent (50%) of the collections shall be paid into the property tax replacement fund established under IC 6-1.1-21.

(2) Forty-nine and one hundred ninety-two thousandths percent (49.192%) of the collections shall be paid into the state general fund.

(3) Six hundred thirty-five thousandths of one percent (0.635%) of the collections shall be paid into the public mass transportation fund established by IC 8-23-3-8.

(4) Thirty-three thousandths of one percent (0.033%) of the collections shall be deposited into the industrial rail service fund established under IC 8-3-1.7-2.

(5) Fourteen-hundredths of one percent (0.14%) of the

collections shall be deposited into the commuter rail service fund established under IC 8-3-1.5-20.5.

SECTION 17. IC 6-3-1-3.5, AS AMENDED BY P.L.184-2006, SECTION 3, AND AS AMENDED BY P.L.162-2006, SECTION 24, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 3.5. When used in this article, the term "adjusted gross income" shall mean the following:

(a) In the case of all individuals, "adjusted gross income" (as defined in Section 62 of the Internal Revenue Code), modified as follows:

- (1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.
- (2) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 62 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.
- (3) Subtract one thousand dollars (\$1,000), or in the case of a joint return filed by a husband and wife, subtract for each spouse one thousand dollars (\$1,000).
- (4) Subtract one thousand dollars (\$1,000) for:
 - (A) each of the exemptions provided by Section 151(c) of the Internal Revenue Code;
 - (B) each additional amount allowable under Section 63(f) of the Internal Revenue Code; and
 - (C) the spouse of the taxpayer if a separate return is made by the taxpayer and if the spouse, for the calendar year in which the taxable year of the taxpayer begins, has no gross income and is not the dependent of another taxpayer.
- (5) Subtract:
 - (A) *for taxable years beginning after December 31, 2004*, one thousand five hundred dollars (\$1,500) for each of the exemptions allowed under Section 151(c)(1)(B) of the Internal Revenue Code *for taxable years beginning after December 31, 1996 (as effective January 1, 2004)*; and
 - (B) five hundred dollars (\$500) for each additional amount allowable under Section 63(f)(1) of the Internal Revenue Code if the adjusted gross income of the taxpayer, or the taxpayer and the taxpayer's spouse in the case of a joint return, is less than forty thousand dollars (\$40,000).

This amount is in addition to the amount subtracted under subdivision (4).

- (6) Subtract an amount equal to the lesser of:
 - (A) that part of the individual's adjusted gross income (as defined in Section 62 of the Internal Revenue Code) for that taxable year that is subject to a tax that is imposed by a political subdivision of another state and that is imposed on or measured by income; or
 - (B) two thousand dollars (\$2,000).
- (7) Add an amount equal to the total capital gain portion of a lump sum distribution (as defined in Section 402(e)(4)(D) of the Internal Revenue Code) if the lump sum distribution is received by the individual during the taxable year and if the capital gain portion of the distribution is taxed in the manner provided in Section 402 of the Internal Revenue Code.
- (8) Subtract any amounts included in federal adjusted gross income under Section 111 of the Internal Revenue Code as a recovery of items previously deducted as an itemized deduction from adjusted gross income.
- (9) Subtract any amounts included in federal adjusted gross income under the Internal Revenue Code which amounts were received by the individual as supplemental railroad retirement annuities under 45 U.S.C. 231 and which are not deductible under subdivision (1).

(10) Add an amount equal to the deduction allowed under Section 221 of the Internal Revenue Code for married couples filing joint returns if the taxable year began before January 1, 1987.

(11) Add an amount equal to the interest excluded from federal gross income by the individual for the taxable year under Section 128 of the Internal Revenue Code if the taxable year began before January 1, 1985.

(12) Subtract an amount equal to the amount of federal Social Security and Railroad Retirement benefits included in a taxpayer's federal gross income by Section 86 of the Internal Revenue Code.

(13) In the case of a nonresident taxpayer or a resident taxpayer residing in Indiana for a period of less than the taxpayer's entire taxable year, the total amount of the deductions allowed pursuant to subdivisions (3), (4), (5), and (6) shall be reduced to an amount which bears the same ratio to the total as the taxpayer's income taxable in Indiana bears to the taxpayer's total income.

(14) In the case of an individual who is a recipient of assistance under IC 12-10-6-1, IC 12-10-6-2.1, IC 12-15-2-2, or IC 12-15-7, subtract an amount equal to that portion of the individual's adjusted gross income with respect to which the individual is not allowed under federal law to retain an amount to pay state and local income taxes.

(15) In the case of an eligible individual, subtract the amount of a Holocaust victim's settlement payment included in the individual's federal adjusted gross income.

(16) For taxable years beginning after December 31, 1999, subtract an amount equal to the portion of any premiums paid during the taxable year by the taxpayer for a qualified long term care policy (as defined in IC 12-15-39.6-5) for the taxpayer or the taxpayer's spouse, or both.

(17) Subtract an amount equal to the lesser of:

- (A) for a taxable year:
 - (i) including any part of 2004, the amount determined under subsection (f); and
 - (ii) beginning after December 31, 2004, two thousand five hundred dollars (\$2,500); or
- (B) the amount of property taxes that are paid during the taxable year in Indiana by the individual on the individual's principal place of residence.

(18) Subtract an amount equal to the amount of a September 11 terrorist attack settlement payment included in the individual's federal adjusted gross income.

(19) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(20) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(21) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars (\$25,000).

(22) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities

for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(b) In the case of corporations, the same as "taxable income" (as defined in Section 63 of the Internal Revenue Code) adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.
(2) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 170 of the Internal Revenue Code.

(3) Add an amount equal to any deduction or deductions allowed or allowable pursuant to Section 63 of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state of the United States.

(4) Subtract an amount equal to the amount included in the corporation's taxable income under Section 78 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars (\$25,000).

(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(9) Add to the extent required by IC 6-3-2-20 the amount of intangible expenses (as defined in IC 6-3-2-20) and any directly related intangible interest expenses (as defined in IC 6-3-2-20) for the taxable year that reduced the corporation's taxable income (as defined in Section 63 of the Internal Revenue Code) for federal income tax purposes.

(10) Add an amount equal to any deduction for dividends paid (as defined in Section 561 of the Internal Revenue Code) to shareholders of a captive real estate investment trust (as defined in section 34 of this chapter).

(c) In the case of life insurance companies (as defined in Section 816(a) of the Internal Revenue Code) that are organized under Indiana law, the same as "life insurance company taxable income" (as defined in Section 801 of the Internal Revenue Code), adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction allowed or allowable under Section 170 of the Internal Revenue Code.

(3) Add an amount equal to a deduction allowed or allowable under Section 805 or Section 831(c) of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state.

(4) Subtract an amount equal to the amount included in the company's taxable income under Section 78 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 or Section 810 of the Internal Revenue Code.

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars (\$25,000).

(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(d) In the case of insurance companies subject to tax under Section 831 of the Internal Revenue Code and organized under Indiana law, the same as "taxable income" (as defined in Section 832 of the Internal Revenue Code), adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Add an amount equal to any deduction allowed or allowable under Section 170 of the Internal Revenue Code.

(3) Add an amount equal to a deduction allowed or allowable under Section 805 or Section 831(c) of the Internal Revenue Code for taxes based on or measured by income and levied at the state level by any state.

(4) Subtract an amount equal to the amount included in the company's taxable income under Section 78 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(6) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(7) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars (\$25,000).

(8) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal

Revenue Code for federal income tax purposes.

(e) In the case of trusts and estates, "taxable income" (as defined for trusts and estates in Section 641(b) of the Internal Revenue Code) adjusted as follows:

(1) Subtract income that is exempt from taxation under this article by the Constitution and statutes of the United States.

(2) Subtract an amount equal to the amount of a September 11 terrorist attack settlement payment included in the federal adjusted gross income of the estate of a victim of the September 11 terrorist attack or a trust to the extent the trust benefits a victim of the September 11 terrorist attack.

(3) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that owns property for which bonus depreciation was allowed in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election not been made under Section 168(k) of the Internal Revenue Code to apply bonus depreciation to the property in the year that it was placed in service.

(4) Add an amount equal to any deduction allowed under Section 172 of the Internal Revenue Code.

(5) Add or subtract the amount necessary to make the adjusted gross income of any taxpayer that placed Section 179 property (as defined in Section 179 of the Internal Revenue Code) in service in the current taxable year or in an earlier taxable year equal to the amount of adjusted gross income that would have been computed had an election for federal income tax purposes not been made for the year in which the property was placed in service to take deductions under Section 179 of the Internal Revenue Code in a total amount exceeding twenty-five thousand dollars (\$25,000).

(6) Add an amount equal to the amount that a taxpayer claimed as a deduction for domestic production activities for the taxable year under Section 199 of the Internal Revenue Code for federal income tax purposes.

(f) This subsection applies only to the extent that an individual paid property taxes in 2004 that were imposed for the March 1, 2002, assessment date or the January 15, 2003, assessment date. The maximum amount of the deduction under subsection (a)(17) is equal to the amount determined under STEP FIVE of the following formula:

STEP ONE: Determine the amount of property taxes that the taxpayer paid after December 31, 2003, in the taxable year for property taxes imposed for the March 1, 2002, assessment date and the January 15, 2003, assessment date.

STEP TWO: Determine the amount of property taxes that the taxpayer paid in the taxable year for the March 1, 2003, assessment date and the January 15, 2004, assessment date.

STEP THREE: Determine the result of the STEP ONE amount divided by the STEP TWO amount.

STEP FOUR: Multiply the STEP THREE amount by two thousand five hundred dollars (\$2,500).

STEP FIVE: Determine the sum of the STEP FOUR amount and two thousand five hundred dollars (\$2,500).

SECTION 18. IC 6-3-1-34 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: **Sec. 34. (a) Except as provided in subsection (b), "captive real estate investment trust" means a corporation, a trust, or an association:**

(1) that is considered a real estate investment trust for the taxable year under Section 856 of the Internal Revenue Code;

(2) that is not regularly traded on an established securities market; and

(3) in which more than fifty percent (50%) of the:

(A) voting power;

(B) beneficial interests; or

(C) shares;

are owned or controlled, directly or constructively, by a single entity that is subject to Subchapter C of Chapter 1 of the Internal Revenue Code.

(b) The term does not include a corporation, a trust, or an association in which more than fifty percent (50%) of the entity's voting power, beneficial interests, or shares are owned by a single entity described in subsection (a)(3) that is owned or controlled, directly or constructively, by:

(1) a corporation, a trust, or an association that is considered a real estate investment trust under Section 856 of the Internal Revenue Code;

(2) a person exempt from taxation under Section 501 of the Internal Revenue Code; or

(3) a real estate investment trust that:

(A) is intended to become regularly traded on an established securities market; and

(B) satisfies the requirements of Section 856(a)(5) and Section 856(a)(6) of the Internal Revenue Code under Section 856(h) of the Internal Revenue Code.

(c) For purposes of this section, the constructive ownership rules of Section 318 of the Internal Revenue Code, as modified by Section 856(d)(5) of the Internal Revenue Code, apply to the determination of the ownership of stock, assets, or net profits of any person."

Page 19, delete lines 28 through 42.

Delete page 20.

Page 21, delete lines 1 through 17, begin a new paragraph and insert:

"SECTION 17. IC 6-3-4-4.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE DECEMBER 16, 2007]: Sec. 4.1. (a) This section applies to taxable years beginning after December 31, 1993.

(b) Any individual required by the Internal Revenue Code to file estimated tax returns and to make payments on account of such estimated tax shall file estimated tax returns and make payments of the tax imposed by this article to the department at the time or times and in the installments as provided by Section 6654 of the Internal Revenue Code. However, in applying Section 6654 of the Internal Revenue Code for the purposes of this article, "estimated tax" means the amount which the individual estimates as the amount of the adjusted gross income tax imposed by this article for the taxable year, minus the amount which the individual estimates as the sum of any credits against the tax provided by IC 6-3-3.

(c) Every individual who has adjusted gross income subject to the tax imposed by this article and from which tax is not withheld under the requirements of section 8 of this chapter shall make a declaration of estimated tax for the taxable year. However, no such declaration shall be required if the estimated tax can reasonably be expected to be less than four hundred dollars (\$400). In the case of an underpayment of the estimated tax as provided in Section 6654 of the Internal Revenue Code, there shall be added to the tax a penalty in an amount prescribed by IC 6-8.1-10-2.1(b).

(d) Every corporation subject to the adjusted gross income tax liability imposed by this article shall be required to report and pay an estimated tax equal to the lesser of:

(1) twenty-five percent (25%) of such corporation's estimated adjusted gross income tax liability for the taxable year; or

(2) the annualized income installment calculated in the manner provided by Section 6655(e) of the Internal Revenue Code as applied to the corporation's liability for adjusted gross income tax.

A taxpayer who uses a taxable year that ends on December 31 shall file the taxpayer's estimated adjusted gross income tax returns and pay the tax to the department on or before April 20, June 20, September 20, and December 20 of the taxable year. If a taxpayer uses a taxable year that does not end on December 31,

the due dates for filing estimated adjusted gross income tax returns and paying the tax are on or before the twentieth day of the fourth, sixth, ninth, and twelfth months of the taxpayer's taxable year. The department shall prescribe the manner and forms for such reporting and payment.

(e) The penalty prescribed by IC 6-8.1-10-2.1(b) shall be assessed by the department on corporations failing to make payments as required in subsection (d) or (g). However, no penalty shall be assessed as to any estimated payments of adjusted gross income tax which equal or exceed:

- (1) ~~twenty percent (20%) of the final tax liability for such taxable year; the annualized income installment calculated under subsection (d); or~~
- (2) twenty-five percent (25%) of the final tax liability for the taxpayer's previous taxable year.

In addition, the penalty as to any underpayment of tax on an estimated return shall only be assessed on the difference between the actual amount paid by the corporation on such estimated return and twenty-five percent (25%) of the corporation's final adjusted gross income tax liability for such taxable year.

(f) The provisions of subsection (d) requiring the reporting and estimated payment of adjusted gross income tax shall be applicable only to corporations having an adjusted gross income tax liability which, after application of the credit allowed by IC 6-3-3-2 (repealed), shall exceed one thousand dollars (\$1,000) for its taxable year.

(g) If the department determines that a corporation's:

- (1) estimated quarterly adjusted gross income tax liability for the current year; or
- (2) average estimated quarterly adjusted gross income tax liability for the preceding year;

~~exceeds before January 1, 1998, twenty thousand dollars (\$20,000), and, after December 31, 1997, ten five thousand dollars (\$10,000); (\$5,000), after the credit allowed by IC 6-3-3-2 (repealed), the corporation shall pay the estimated adjusted gross income taxes due by electronic funds transfer (as defined in IC 4-8.1-2-7) or by delivering in person or overnight by courier a payment by cashier's check, certified check, or money order to the department. The transfer or payment shall be made on or before the date the tax is due.~~

(h) If a corporation's adjusted gross income tax payment is made by electronic funds transfer, the corporation is not required to file an estimated adjusted gross income tax return."

Page 26, line 27, delete "and five hundred twenty-three thousandths"

Page 26, line 28, delete "(2.523%)" and insert "(2%)".

Page 27, between lines 3 and 4, begin a new paragraph and insert:

"SECTION 25. IC 6-7-1-28.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 28.1. The taxes, registration fees, fines, or penalties collected under this chapter shall be deposited in the following manner:

- (1) Six and six-tenths percent (6.6%) of the money shall be deposited in a fund to be known as the cigarette tax fund.
- (2) Ninety-four hundredths percent (0.94%) of the money shall be deposited in a fund to be known as the mental health centers fund.
- (3) Eighty-three and ~~ninety-seven hundredths four hundred forty-seven thousandths~~ percent ~~(83.97%)~~ **(83.447%)** of the money shall be deposited in the state general fund.
- (4) Eight and forty-nine hundredths percent (8.49%) of the money shall be deposited into the pension relief fund established in IC 5-10.3-11.
- (5) **Five hundred twenty-three thousandths percent (0.523%)** of the money shall be transferred as follows:
 - (A) **Sixty percent (60%)** of money shall be distributed to the county treasurer of each county that has at least one unit that has established an

affordable housing fund under IC 5-20-5-15.5 or a housing trust fund under IC 36-7-15.1-35.5(e) according to the ratio the population of each adopting county bears to the total population of the adopting counties. A county treasurer shall allocate money received under this clause as follows:

(i) In the case of a county that does not contain a consolidated city, to the units in the county that have established an affordable housing fund under IC 5-20-5-15.5 for deposit in the appropriate fund. The amount to be distributed to a unit is the amount available for distribution multiplied by a fraction. The numerator of the fraction is the population of the unit. The denominator of the fraction is the population of all units in the county that have established an affordable housing fund. The population to be used for a county that establishes an affordable housing fund is the population of the county outside any city or town that has established an affordable housing fund.

(ii) In the case of a county that contains a consolidated city, amounts recovered under this clause shall be deposited in the housing trust fund established under IC 36-7-15.1-35.5(e) for the purposes of the fund.

(B) Forty percent (40%) of money shall be transferred to the treasurer of state for deposit in the affordable housing and community development fund established under IC 5-20-4-7 for the purposes of the fund.

The money in the cigarette tax fund, the mental health centers fund, ~~or the pension relief fund, a local affordable housing fund, a housing trust fund established under IC 36-7-15.1-35.5(e), and the affordable housing and community development fund established under IC 5-20-4-7,~~ at the end of a fiscal year does not revert to the state general fund. However, if in any fiscal year, the amount allocated to a fund under subdivision (1) or (2) is less than the amount received in fiscal year 1977, then that fund shall be credited with the difference between the amount allocated and the amount received in fiscal year 1977, and the allocation for the fiscal year to the fund under subdivision (3) shall be reduced by the amount of that difference.

SECTION 26. IC 6-8-12 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 12. Eligible Event; Exemption from Taxation

Sec. 1. As used in this chapter, "eligible entity" means the following:

- (1) A not-for-profit trade association under Section 501(c)(6) of the Internal Revenue Code known as the National Football League.**
- (2) Any corporation, partnership, limited liability company, or other entity owned or controlled by the entity described in subdivision (1).**
- (3) Any member club of the entity described in subdivision (1).**
- (4) Any not-for-profit charitable organization affiliated with the entity described in subdivision (1).**

Sec. 2. As used in this chapter, "eligible event" means an event known as the Super Bowl that is conducted by the entity described in section 1(1) of this chapter.

Sec. 3. All property owned by an eligible entity, revenues of an eligible entity, and expenditures and transactions of an eligible entity:

- (1) in connection with an eligible event; and**
- (2) resulting from holding an eligible event in Indiana or making preparatory advance visits to Indiana in connection with an eligible event;**

are exempt from taxation in Indiana for all purposes.

Sec. 4. The excise tax under IC 6-9-13 does not apply to an eligible event.

Sec. 5. The general assembly finds that this chapter has been enacted as a requirement to host an eligible event in Indiana and that an eligible event would not be held in Indiana without the exemptions provided in this chapter. Notwithstanding the exemptions provided in this chapter, an eligible event held in Indiana would generate significant economic impact for the state and additional revenues from the taxes affected by this chapter. Therefore, the exemptions from taxation provided in this chapter will not reduce or adversely affect the levy and collection of taxes pledged to the payment of bonds, notes, leases, or subleases, payable from such taxes."

Page 30, between lines 21 and 22, begin a new paragraph and insert:

"SECTION 29. IC 6-9-2-2, AS AMENDED BY P.L.168-2005, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2008]: Sec. 2. (a) The revenue received by the county treasurer under this chapter shall be allocated to the Lake County convention and visitor bureau, Indiana University-Northwest, Purdue University-Calumet, municipal public safety departments, municipal physical and economic development divisions, and the cities and towns in the county as provided in this section. Subsections (b) through (g) do not apply to the distribution of revenue received under section 1 of this chapter from hotels, motels, inns, tourist camps, tourist cabins, and other lodgings or accommodations built or refurbished after June 30, 1993, that are located in the largest city of the county.

(b) The Lake County convention and visitor bureau shall establish a convention, tourism, and visitor promotion fund (referred to in this chapter as the "promotion fund"). The county treasurer shall transfer to the Lake County convention and visitor bureau for deposit in the promotion fund ~~thirty-five~~ **thirty-six** percent ~~(35%)~~ **(36%)** of the first one million two hundred ~~fifty~~ thousand dollars ~~(\$1,200,000)~~ **(\$1,250,000)** of revenue received from the tax imposed under this chapter in each year. The promotion fund consists of:

- (1) money in the promotion fund on June 30, 2005;
- (2) revenue deposited in the promotion fund under this subsection after June 30, 2005; and
- (3) investment income earned on the promotion fund's assets.

Money in the promotion fund may be expended only to promote and encourage conventions, trade shows, special events, recreation, and visitors within the county. Money may be paid from the promotion fund by claim in the same manner as municipalities may pay claims under IC 5-11-10-1.6.

(c) This subsection applies to the first one million two hundred ~~fifty~~ thousand dollars ~~(\$1,200,000)~~ **(\$1,250,000)** of revenue received from the tax imposed under this chapter in each year. During each year, the county treasurer shall transfer to Indiana University-Northwest ~~forty-four~~ **forty-two** and ~~thirty-three~~ **seventy-seven** hundredths percent ~~(44.33%)~~ **(42.77%)** of the revenue received under this chapter for that year to be used as follows:

- (1) Seventy-five percent (75%) of the revenue received under this subsection may be used only for the university's medical education programs.
- (2) Twenty-five percent (25%) of the revenue received under this subsection may be used only for the university's allied health education programs.

The amount for each year shall be transferred in four (4) approximately equal quarterly installments.

(d) This subsection applies to the first one million two hundred ~~fifty~~ thousand dollars ~~(\$1,200,000)~~ **(\$1,250,000)** of revenue received from the tax imposed under this chapter in each

year. During each year, the county treasurer shall allocate among the cities and towns throughout the county ~~nine and sixty-eight hundredths~~ percent ~~(9%)~~ **(9.68%)** of the revenue received under this chapter for that year. The amount of each city's or town's allocation is as follows:

(1) ~~Ten~~ **Nine** percent ~~(10%)~~ **(9%)** of the revenue covered by this subsection shall be transferred to cities having a population of more than ninety thousand (90,000) but less than one hundred five thousand (105,000).

(2) ~~Ten~~ **Nine** percent ~~(10%)~~ **(9%)** of the revenue covered by this subsection shall be transferred to cities having a population of more than seventy-five thousand (75,000) but less than ninety thousand (90,000).

(3) ~~Ten~~ **Nine** percent ~~(10%)~~ **(9%)** of the revenue covered by this subsection shall be transferred to cities having a population of more than thirty-two thousand (32,000) but less than thirty-two thousand eight hundred (32,800).

(4) ~~Five~~ percent ~~(5%)~~ of **The remaining** revenue ~~covered by that must be allocated among the cities and towns located in the county under~~ this subsection shall be transferred **in equal amounts** to each town and each city not receiving a transfer under subdivisions (1) through (3).

The money transferred under this subsection may be used only for economic development projects. The county treasurer shall make the transfers on or before December 1 of each year.

(e) This subsection applies to the first one million two hundred ~~fifty~~ thousand dollars ~~(\$1,200,000)~~ **(\$1,250,000)** of revenue received from the tax imposed under this chapter in each year. During each year, the county treasurer shall transfer to Purdue University-Calumet ~~nine~~ **eight and eighty-eight hundredths** percent ~~(9%)~~ **(8.88%)** of the revenue received under this chapter for that year. The money received by Purdue University-Calumet may be used by the university only for nursing education programs.

(f) This subsection applies to the first one million two hundred ~~fifty~~ thousand dollars ~~(\$1,200,000)~~ **(\$1,250,000)** of revenue received from the tax imposed under this chapter in each year. During each year, the county treasurer shall transfer two and sixty-seven hundredths percent (2.67%) of the revenue received under this chapter for that year to the following cities:

(1) Fifty percent (50%) of the revenue covered by this subsection shall be transferred to cities having a population of more than ninety thousand (90,000) but less than one hundred five thousand (105,000).

(2) Fifty percent (50%) of the revenue covered by this subsection shall be transferred to cities having a population of more than seventy-five thousand (75,000) but less than ninety thousand (90,000).

Money transferred under this subsection may be used only for convention facilities located within the city. In addition, the money may be used only for facility marketing, sales, and public relations programs. Money transferred under this subsection may not be used for salaries, facility operating costs, or capital expenditures related to the convention facilities. The county treasurer shall make the transfers on or before December 1 of each year.

(g) This subsection applies to the revenue received from the tax imposed under this chapter in each year that exceeds one million two hundred ~~fifty~~ thousand dollars ~~(\$1,200,000)~~ **(\$1,250,000)**. During each year, the county treasurer shall distribute money in the promotion fund as follows:

(1) Eighty-five percent (85%) of the revenue covered by this subsection shall be deposited in the convention, tourism, and visitor promotion fund. The money deposited in the fund under this subdivision may be used only for the purposes for which other money in the fund may be used.

(2) Five percent (5%) of the revenue covered by this subsection shall be transferred to Purdue University-Calumet. The money received by Purdue

University-Calumet under this subdivision may be used by the university only for nursing education programs.

(3) Five percent (5%) of the revenue covered by this subsection shall be transferred to Indiana University-Northwest. The money received by Indiana University-Northwest under this subdivision may be used only for the university's medical education programs.

(4) Five percent (5%) of the revenue covered by this subsection shall be transferred to Indiana University-Northwest. The money received by Indiana University-Northwest under this subdivision may be used only for the university's allied health education programs.

(h) The county treasurer may estimate the amount that will be received under this chapter for the year to determine the amount to be transferred under this section.

(i) This subsection applies only to the distribution of revenue received from the tax imposed under section 1 of this chapter from hotels, motels, inns, tourist camps, tourist cabins, and other lodgings or accommodations built or refurbished after June 30, 1993, that are located in the largest city of the county. During each year, the county treasurer shall transfer:

(1) seventy-five percent (75%) of the revenues under this subsection to the department of public safety; and

(2) twenty-five percent (25%) of the revenues under this subsection to the division of physical and economic development;

of the largest city of the county.

(j) The Lake County convention and visitor bureau shall assist the county treasurer, as needed, with the calculation of the amounts that must be deposited and transferred under this section.

SECTION 30. IC 32-34-1-34, AS AMENDED BY P.L.246-2005, SECTION 217, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 34. (a) Except as provided in section 42(d) of this chapter, the treasurer of state shall, on order of the attorney general, pay the necessary costs of the following:

(1) Selling abandoned property.

(2) Mailing notices.

(3) Making publications required by this chapter.

(4) Paying other operating expenses and administrative expenses, including:

(A) salaries and wages reasonably incurred by the attorney general in the administration and enforcement of this chapter; and

(B) costs incurred in examining records of the holders of property and in collecting the property from the holders.

(b) If the balance of the principal of the abandoned property fund established by section 33 of this chapter exceeds five hundred thousand dollars (\$500,000), the treasurer of state may, and at least once each fiscal year shall, transfer to the state general fund the balance of the principal of the abandoned property fund that exceeds five hundred thousand dollars (\$500,000).

(c) If a claim is allowed or a refund is ordered under this chapter that is more than five hundred thousand dollars (\$500,000), the treasurer of state shall transfer from the state general fund sufficient money to make prompt payment of the claim. There is annually appropriated to the treasurer of state from the state general fund the amount of money sufficient to implement this subsection.

(d) Before making a deposit into the abandoned property fund, the attorney general shall record the following:

(1) The name and last known address of each person appearing from the holder's reports to be entitled to the abandoned property.

(2) The name and last known address of each insured person or annuitant.

(3) The number, the name of the corporation, and the

amount due concerning any policy or contract listed in the report of a life insurance company.

(e) Except as provided in ~~subsection~~ **subsections (f) and (g)**, earnings on the property custody fund and the abandoned property fund shall be credited to each fund.

(f) **This subsection applies before July 1, 2007.** On July 1 of each year, the interest balance in the property custody fund established by section 32 of this chapter and the interest balance in the abandoned property fund shall be transferred to the state general fund.

(g) **This subsection applies after June 30, 2007. On July 1 of each year, the interest balance in the property custody fund established by section 32 of this chapter and the interest balance in the abandoned property fund shall be transferred to the affordable housing and community development fund established by IC 5-20-4-7.**

SECTION 31. IC 36-2-7-10, AS AMENDED BY P.L.169-2006, SECTION 50, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 10. (a) The county recorder shall tax and collect the fees prescribed by this section for recording, filing, copying, and other services the recorder renders, and shall pay them into the county treasury at the end of each calendar month. The fees prescribed and collected under this section supersede all other recording fees required by law to be charged for services rendered by the county recorder.

(b) The county recorder shall charge the following:

(1) Six dollars (\$6) for the first page and two dollars (\$2) for each additional page of any document the recorder records if the pages are not larger than eight and one-half (8 1/2) inches by fourteen (14) inches.

(2) Fifteen dollars (\$15) for the first page and five dollars (\$5) for each additional page of any document the recorder records, if the pages are larger than eight and one-half (8 1/2) inches by fourteen (14) inches.

(3) For attesting to the release, partial release, or assignment of any mortgage, judgment, lien, or oil and gas lease contained on a multiple transaction document, the fee for each transaction after the first is the amount provided in subdivision (1) plus the amount provided in subdivision (4) and one dollar (\$1) for marginal mortgage assignments or marginal mortgage releases.

(4) One dollar (\$1) for each cross-reference of a recorded document.

(5) One dollar (\$1) per page not larger than eight and one-half (8 1/2) inches by fourteen (14) inches for furnishing copies of records and two dollars (\$2) per page that is larger than eight and one-half (8 1/2) inches by fourteen (14) inches.

(6) Five dollars (\$5) for acknowledging or certifying to a document.

(7) Five dollars (\$5) for each deed the recorder records, in addition to other fees for deeds, for the county surveyor's corner perpetuation fund for use as provided in IC 32-19-4-3 or IC 36-2-12-11(e).

(8) A fee in an amount authorized under IC 5-14-3-8 for transmitting a copy of a document by facsimile machine.

(9) A fee in an amount authorized by an ordinance adopted by the county legislative body for duplicating a computer tape, a computer disk, an optical disk, microfilm, or similar media. This fee may not cover making a handwritten copy or a photocopy or using xerography or a duplicating machine.

(10) A supplemental fee of three dollars (\$3) for recording a document that is paid at the time of recording. The fee under this subdivision is in addition to other fees provided by law for recording a document.

(11) Three dollars (\$3) for each mortgage on real estate recorded, in addition to other fees required by this section,

distributed as follows:

(A) Fifty cents (\$0.50) is to be deposited in the recorder's record perpetuation fund.

(B) Two dollars and fifty cents (\$2.50) is to be distributed to the auditor of state on or before June 20 and December 20 of each year as provided in IC 24-9-9-3.

(12) This subdivision applies in a county only if at least one (1) unit in the county has established an affordable housing fund under IC 5-20-5-15.5 and the county fiscal body adopts an ordinance authorizing the fee described in this subdivision. An ordinance adopted under this subdivision may authorize the county recorder to charge a fee of:

(A) five dollars (\$5) for the first page; and

(B) one dollar (\$1) for each additional page; of each document the recorder records.

(13) This subdivision applies in a county containing a consolidated city that has established a housing trust fund under IC 36-7-15.1-35.5(e). The county fiscal body may adopt an ordinance authorizing the fee described in this subdivision. An ordinance adopted under this subdivision may authorize the county recorder to charge a fee of:

(A) five dollars (\$5) for the first page; and

(B) one dollar (\$1) for each additional page; of each document the recorder records.

(c) The county recorder shall charge a two dollar (\$2) county identification security protection fee for recording or filing a document. This fee shall be deposited under IC 36-2-7.5-6.

(d) The county treasurer shall establish a recorder's records perpetuation fund. All revenue received under subsection (b)(5), (b)(8), (b)(9), and (b)(10), and fifty cents (\$0.50) from revenue received under subsection (b)(11), shall be deposited in this fund. The county recorder may use any money in this fund without appropriation for the preservation of records and the improvement of record keeping systems and equipment.

(e) As used in this section, "record" or "recording" includes the functions of recording, filing, and filing for record.

(f) The county recorder shall post the fees set forth in subsection (b) in a prominent place within the county recorder's office where the fee schedule will be readily accessible to the public.

(g) The county recorder may not tax or collect any fee for:

(1) recording an official bond of a public officer, a deputy, an appointee, or an employee; or

(2) performing any service under any of the following:

(A) IC 6-1.1-22-2(c).

(B) IC 8-23-7.

(C) IC 8-23-23.

(D) IC 10-17-2-3.

(E) IC 10-17-3-2.

(F) IC 12-14-13.

(G) IC 12-14-16.

(h) The state and its agencies and instrumentalities are required to pay the recording fees and charges that this section prescribes.

(i) This subsection applies to a county other than a county containing a consolidated city. The county treasurer shall distribute money collected by the county recorder under subsection (b)(12) as follows:

(1) Sixty percent (60%) of the money collected by the county recorder under subsection (b)(12) shall be distributed to the units in the county that have established an affordable housing fund under IC 5-20-5-15.5 for deposit in the fund. The amount to be distributed to a unit is the amount available for distribution multiplied by a fraction. The numerator of the fraction is the population of the unit. The denominator of the fraction is the population of all

units in the county that have established an affordable housing fund. The population to be used for a county that establishes an affordable housing fund is the population of the county outside any city or town that has established an affordable housing fund.

(2) Forty percent (40%) of the money collected by the county recorder under subsection (b)(12) shall be distributed to the treasurer of state for deposit in the affordable housing and community development fund established under IC 5-20-4-7 for the purposes of the fund.

Money shall be distributed under this subsection before the sixteenth day of the month following the month in which the money is collected from the county recorder.

(j) This subsection applies to a county described in subsection (b)(13). The county treasurer shall distribute money collected by the county recorder under subsection (b)(13) as follows:

(1) Sixty percent (60%) of the money collected by the county recorder under subsection (b)(13) shall be deposited in the housing trust fund established under IC 36-7-15.1-35.5(e) for the purposes of the fund.

(2) Forty percent (40%) of the money collected by the county recorder under subsection (b)(13) shall be distributed to the treasurer of state for deposit in the affordable housing and community development fund established under IC 5-20-4-7 for the purposes of the fund.

Money shall be distributed under this subsection before the sixteenth day of the month following the month in which the money is collected from the county recorder.

SECTION 32. IC 36-7-15.1-35.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 35.5. (a) The general assembly finds the following:

(1) Federal law permits the sale of a multiple family housing project that is or has been covered, in whole or in part, by a contract for project based assistance from the United States Department of Housing and Urban Development without requiring the continuation of that project based assistance.

(2) Such a sale displaces the former residents of a multiple family housing project described in subdivision (1) and increases the shortage of safe and affordable housing for persons of low and moderate income within the county.

(3) The displacement of families and individuals from affordable housing requires increased expenditures of public funds for crime prevention, public health and safety, fire and accident prevention, and other public services and facilities.

(4) The establishment of a supplemental housing program under this section will do the following:

(A) Benefit the health, safety, morals, and welfare of the county and the state.

(B) Serve to protect and increase property values in the county and the state.

(C) Benefit persons of low and moderate income by making affordable housing available to them.

(5) The establishment of a supplemental housing program under this section and sections 32 through 35 of this chapter is:

(A) necessary in the public interest; and

(B) a public use and purpose for which public money may be spent and private property may be acquired.

(b) In addition to its other powers with respect to a housing program under sections 32 through 35 of this chapter, the commission may establish a supplemental housing program. Except as provided by this section, the commission has the same powers and duties with respect to the supplemental housing program that the commission has under sections 32 through 35 of this chapter with respect to the housing program.

(c) One (1) allocation area may be established for the supplemental housing program. The commission is not required to make the findings required under section 34(5) through 34(8) of this chapter with respect to the allocation area. However, the commission must find that the property contained within the boundaries of the allocation area consists solely of one (1) or more multiple family housing projects that are or have been covered, in whole or in part, by a contract for project based assistance from the United States Department of Housing and Urban Development or have been owned at one time by a public housing agency. The allocation area need not be contiguous. The definition of "base assessed value" set forth in section 35(a) of this chapter applies to the special fund established under section 26(b) of this chapter for the allocation area.

(d) The special fund established under section 26(b) of this chapter for the allocation area established under this section may be used only for the following purposes:

- (1) Subject to subdivision (2), on January 1 and July 1 of each year the balance of the special fund shall be transferred to the housing trust fund established under subsection (e).
- (2) The commission may provide each taxpayer in the allocation area a credit for property tax replacement in the manner provided by section 35(b)(7) of this chapter. Transfers made under subdivision (1) shall be reduced by the amount necessary to provide the credit.

(e) The commission shall, by resolution, establish a housing trust fund to be administered, subject to the terms of the resolution, by:

- (1) the housing division of the consolidated city; or
- (2) the department, division, or agency that has been designated to perform the public housing function by an ordinance adopted under IC 36-7-18-1.

(f) The housing trust fund consists of:

- (1) amounts transferred to the fund under subsection (d);
- (2) payments in lieu of taxes deposited in the fund under IC 36-3-2-11;
- (3) gifts and grants to the fund;
- (4) investment income earned on the fund's assets; ~~and~~
- (5) money deposited in the fund under IC 36-2-7-10(j);**
- (6) money deposited in the fund under IC 5-1-14-15(d);**
- and**
- ~~(5)~~ **(7) other funds from sources approved by the commission.**

(g) The commission shall, by resolution, establish uses for the housing trust fund. However, the uses must be limited to:

- (1) providing financial assistance to those individuals and families whose income is at or below eighty percent (80%) of the county's median income for individuals and families, respectively, to enable those individuals and families to purchase or lease residential units within the county;
- (2) paying expenses of administering the fund;
- (3) making grants, loans, and loan guarantees for the development, rehabilitation, or financing of affordable housing for individuals and families whose income is at or below eighty percent (80%) of the county's median income for individuals and families, respectively, including the elderly, persons with disabilities, and homeless individuals and families; and
- (4) providing technical assistance to nonprofit developers of affordable housing.

(h) At least fifty percent (50%) of the dollars allocated for production, rehabilitation, or purchase of housing must be used for units to be occupied by individuals and families whose income is at or below fifty percent (50%) of the county's area median income for individuals and families respectively.

(i) The low income housing trust fund advisory committee is established. The low-income housing trust fund advisory committee consists of eleven (11) members. The membership of

the low income housing trust fund advisory committee is comprised of:

- (1) one (1) member appointed by the mayor, to represent the interests of low income families;
- (2) one (1) member appointed by the mayor, to represent the interests of owners of subsidized, multifamily housing communities;
- (3) one (1) member appointed by the mayor, to represent the interests of banks and other financial institutions;
- (4) one (1) member appointed by the mayor, of the department of metropolitan development;
- (5) three (3) members representing the community at large appointed by the commission, from nominations submitted to the commission as a result of a general call for nominations from neighborhood associations, community based organizations, and other social services agencies;
- (6) one (1) member appointed by and representing the Coalition for Homeless Intervention and Prevention of Greater Indianapolis;
- (7) one (1) member appointed by and representing the Local Initiatives Support Corporation;
- (8) one (1) member appointed by and representing the Indianapolis Coalition for Neighborhood Development; and
- (9) one (1) member appointed by and representing the Indianapolis Neighborhood Housing Partnership.

Members of the low income housing trust fund advisory committee serve for a term of four (4) years, and are eligible for reappointment. If a vacancy exists on the committee, the appointing authority who appointed the former member whose position has become vacant shall appoint an individual to fill the vacancy. A committee member may be removed at any time by the appointing authority who appointed the committee member.

(j) The low income housing trust fund advisory committee shall make recommendations to the commission regarding:

- (1) the development of policies and procedures for the uses of the low income housing trust fund; and
- (2) long term sources of capital for the low income housing trust fund, including:

- (A) revenue from:
 - (i) development ordinances;
 - (ii) fees; or
 - (iii) taxes;
- (B) financial market based income;
- (C) revenue derived from private sources; and
- (D) revenue generated from grants, gifts, donations or income in any other form, from a:
 - (i) government program;
 - (ii) foundation; or
 - (iii) corporation.

(k) The county treasurer shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested."

Page 30, between lines 23 and 24, begin a new paragraph and insert:

"SECTION 34. [EFFECTIVE JANUARY 1, 2007 (RETROACTIVE)] **IC 6-1.1-12.1-1, as amended by this act, applies to assessment dates occurring after February 28, 2007, for property taxes first due and payable after December 31, 2007.**

SECTION 35. [EFFECTIVE JANUARY 1, 2007 (RETROACTIVE)] **IC 6-1.1-45-12, as amended by this act, applies to assessment dates occurring after February 28, 2007, for property taxes first due and payable after December 31, 2007.**

SECTION 36. [EFFECTIVE JANUARY 1, 2008] **IC 6-3.5-1-3, as amended by this act, applies to taxable years beginning after December 31, 2007.**

SECTION 37 [EFFECTIVE UPON PASSAGE] **(a) The**

definitions used in IC 6-7-1 and IC 6-7-2 apply to this SECTION.

(b) Not later than December 31, 2007, the department shall submit a report to the budget committee of the budget agency regarding the collection of the cigarette tax and the tobacco products tax. The report prepared under this SECTION shall be transmitted in an electronic format as provided under IC 5-14-6.

(c) The report must include the following:

- (1) The number of distributors who purchase cigarette tax stamps.
- (2) The amount of cigarette tax stamps purchased by distributors for state fiscal years ending June 30, 2006, and June 30, 2007.
- (3) The amount of tobacco products tax collected from distributors for state fiscal years ending June 30, 2006, and June 30, 2007.
- (4) The total amount of cigarette tax discounted to distributors for state fiscal years ending June 30, 2006, and June 30, 2007.
- (5) A breakdown of the amount of cigarette tax discounted to each distributor for state fiscal years ending June 30, 2006, and June 30, 2007.
- (6) The total number of registration certificates issued by the department for state fiscal years ending June 30, 2006, and June 30, 2007.
- (7) The total amount of tobacco products tax licence fees received by the department from distributors for state fiscal years ending June 30, 2006, and June 30, 2007.
- (8) The total amount of tobacco products tax discounted to distributors for state fiscal years ending June 30, 2006, and June 30, 2007.
- (9) A breakdown of the amount of tobacco products tax discounted to each distributor for state fiscal years ending June 30, 2006, and June 30, 2007.

(d) The department may include any other relevant information pertaining to collection of the cigarette tax and the tobacco products tax.

(e) This SECTION expires on January 1, 2008."

Renumber all SECTIONS consecutively.

(Reference is to SB 500 as reprinted February 20, 2007.) and when so amended that said bill do pass.

Committee Vote: yeas 17, nays 5.

CRAWFORD, Chair

Report adopted.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Veterans Affairs and Public Safety, to which was referred Engrossed Senate Bill 506, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 12, line 30, delete "." and insert ";".

Page 12, reset in roman lines 31 through 32.

Page 15, line 9, delete "of the business entity".

Page 23, line 17, after "6." insert "(a) For purposes of this section, "industrial plant" means a factory, business, or concern that is engaged primarily in the manufacture or assembly of goods or the processing of raw materials, or both.

(b)".

Page 23, between lines 25 and 26, begin a new line block indented and insert:

"(3) The owner of an industrial plant or the employee of an owner of an industrial plant to the extent that the owner or the employee is hiring a plant security guard for the owner's industrial plant.

(4) A retail merchant or an employee of the retail

merchant to the extent that the retail merchant or the employee is hiring a security guard for the retail merchant's retail establishment."

Page 24, line 19, delete "of the business entity".

(Reference is to SB 506 as printed February 16, 2007.) and when so amended that said bill do pass.

Committee Vote: yeas 8, nays 0.

TINCHER, Chair

Report adopted.

Representative Dickinson, who had been excused, was present.

ENGROSSED SENATE BILLS ON SECOND READING

Engrossed Senate Bill 208

Representative C. Brown called down Engrossed Senate Bill 208 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

Engrossed Senate Bill 316

Representative C. Brown called down Engrossed Senate Bill 316 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

The Speaker yielded the gavel to the Deputy Speaker Pro Tempore, Representative E. Harris.

Engrossed Senate Bill 320

Representative Klinker called down Engrossed Senate Bill 320 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 320-2)

Mr. Speaker: I move that Engrossed Bill 320 be amended to read as follows:

Page 14, delete lines 11 through 21.

Page 14, line 25, after "psychologist" insert: ", **who is practicing within the scope of the person's license, education, and training,**".

Page 14, line 26, strike "certified" and insert "**licensed**".

Page 14, line 27, after "(2) a" strike "certified" and insert "**licensed**".

Page 14, line 27, after "or a" strike "certified" and insert "**licensed**".

Page 14, between lines 27 and 28, begin a new line block indented and insert:

"(3) **a licensed mental health counselor;**".

Page 14, line 28, strike "(3)" and insert "**(4)**".

Page 14, line 30, strike "(4)" and insert "**(5)**".

Page 14, line 31, strike "(5)" and insert "**(6)**".

Page 14, line 32, strike "(6)" and insert "**(7)**".

Page 14, line 38, strike "(7)" and insert "**(8)**".

Page 14, line 41, strike "(8)" and insert "**(9)**".

Page 18, line 24, after "chapter" delete "." and insert ", **and the individual is practicing within the scope of the individual's license, education, and training.**".

Renumber all SECTIONS consecutively.

(Reference is to ESB 320 as printed March 30, 2007.)

KLINKER

Motion prevailed.

HOUSE MOTION (Amendment 320-3)

Mr. Speaker: I move that Engrossed Senate Bill 320 be amended to read as follows:

Page 4, between lines 26 and 27, begin a new paragraph and insert:

"SECTION 4. IC 25-1-5-12 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 12. Notwithstanding any other section in the Indiana code, the agency shall not regulate the following occupations after December 31, 2007:**

- (1) Acupuncturists.
- (2) Athletic Trainers.
- (3) Athlete Agents.
- (4) Auctioneers.
- (5) Barbers.
- (6) Dietitians.
- (7) Employment services professionals.
- (8) Geologists.
- (9) Distressed sales professionals.
- (10) Hearing dealers.
- (11) Surveyors.
- (12) Plumbers.

Renumber all SECTIONS consecutively.

(Reference is to ESB 320 as printed March 30, 2007.)

MURPHY

Motion failed.

HOUSE MOTION (Amendment 320-2)

Mr. Speaker: I move that Engrossed Senate Bill 320 be amended to read as follows:

Page 14, between lines 21 and 22, begin a new paragraph and insert:

"SECTION 10. IC 25-27-1-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 1. For the purposes of this chapter:

(1) "Physical therapy" means the evaluation of, administration of, or instruction in physical rehabilitative and habilitative techniques, and procedures to evaluate, prevent, correct, treat, alleviate, and limit physical disability, pathokinesiobiological function, bodily malfunction, pain from injury, disease, and any other physical disability, or mental disorder, including:

- (A) the use of physical measures, agents, and devices for preventive and therapeutic purposes;
- (B) neurodevelopmental procedures;
- (C) the performance, interpretation, and evaluation of physical therapy tests and measurements; and
- (D) the provision of consultative, educational, and other advisory services for the purpose of preventing or reducing the incidence and severity of physical disability, bodily malfunction, and pain.

(2) "Physical therapist" means a person who practices physical therapy as defined in this chapter.

(3) "Physical therapist's assistant" means a person who assists in the practice of physical therapy as defined in this chapter.

(4) "Board" refers to the medical licensing board.

(5) "Committee" refers to the Indiana physical therapy committee established under section 4 of this chapter.

(6) "Person" means an individual.

(7) "Sharp debridement" means the removal of foreign material or dead tissue from or around a wound, without anesthesia and with generally no bleeding, through the use of:

- (A) a sterile scalpel;
- (B) scissors;
- (C) forceps;
- (D) tweezers; or
- (E) other sharp medical instruments;

in order to expose healthy tissue, prevent infection, and promote healing.

SECTION 11. IC 25-27-1-2 IS AMENDED TO READ AS

FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 2. (a) Except as otherwise provided in this chapter, it is unlawful for a person to:

- (1) practice physical therapy; ~~or to~~
- (2) profess to be a physical therapist, physiotherapist, or physical therapy technician or to use the initials "P.T.", "P.T.T.", or "R.P.T.", or any other letters, words, abbreviations, or insignia indicating that the person is a physical therapist; ~~or to~~
- (3) practice or ~~to~~ assume the duties incident to physical therapy;

without first obtaining from the board a license authorizing the person to practice physical therapy in this state.

(b) **Except as provided in section 2.5 of this chapter**, it is unlawful for a person to practice physical therapy other than upon the order or referral of a physician, podiatrist, psychologist, chiropractor, or dentist holding an unlimited license to practice medicine, podiatric medicine, psychology, chiropractic, or dentistry, respectively. It is unlawful for a physical therapist to use the services of a physical therapist's assistant except as provided under this chapter. For the purposes of this subsection, the function of:

- (1) teaching;
- (2) doing research;
- (3) providing advisory services; or
- (4) conducting seminars on physical therapy;

is not considered to be a practice of physical therapy.

(c) Except as otherwise provided in this chapter, it is unlawful for a person to act as a physical therapist's assistant or to use initials, letters, words, abbreviations, or insignia indicating that the person is a physical therapist's assistant without first obtaining from the board a certificate authorizing the person to act as a physical therapist's assistant. It is unlawful for the person to act as a physical therapist's assistant other than under the direct supervision of a licensed physical therapist who is in responsible charge of a patient or under the direct supervision of a physician. However, nothing in this chapter prohibits a person licensed or registered in this state under another law from engaging in the practice for which the person is licensed or registered. These exempted persons include persons engaged in the practice of osteopathy, chiropractic, or podiatric medicine.

(d) **Except as provided in section 2.5 of this chapter**, this chapter does not authorize a person who is licensed as a physical therapist or certified as a physical therapist's assistant to:

- (1) evaluate any physical disability or mental disorder except upon the order or referral of a physician, podiatrist, psychologist, chiropractor, or dentist;
- (2) practice medicine, surgery (as described in IC 25-22.5-1-1.1(a)(1)(C)), dentistry, optometry, osteopathy, psychology, chiropractic, or podiatric medicine; or
- (3) prescribe a drug or other remedial substance used in medicine.

SECTION 12. IC 25-27-1-2.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 2.5. (a) A physical therapist may evaluate an individual without a referral from a provider described in section 2(b) of this chapter. However, the physical therapist:**

- (1) shall contact the individual's appropriate provider for a referral not later than three (3) business days after the physical therapist evaluates the individual; and
- (2) shall obtain a referral from the individual's appropriate provider before providing treatment to the individual.

(b) Notwithstanding subsection (a) and except as provided in section 3.5 of this chapter, a physical therapist may provide subsequent treatment of a condition to an individual who was previously referred to the physical therapist for the

same condition if the referral that authorized the previous treatment under section 2(b) of this chapter was given not more than six (6) months before the date the individual requests subsequent treatment from the physical therapist. However, the physical therapist shall consult with the individual's original referring provider not later than three (3) days after the physical therapist provides subsequent treatment to the individual under this subsection.

SECTION 13. IC 25-27-1-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: **Sec. 3.5. A physical therapist may not perform sharp debridement unless the physical therapist performing the sharp debridement is acting on the order of a physician licensed under:**

(1) IC 25-22.5; or

(2) IC 25-29."

Renumber all SECTIONS consecutively.

(Reference is to ESB 320 as printed March 30, 2007.)

FRIZZELL

Representative Pelath rose to a point of order, citing Rule 118, stating that the motion was attempting to incorporate into Engrossed Senate Bill 320 a bill pending before the House. The Speaker ruled the point was well taken and the motion was out of order.

There being no further amendments, the bill was ordered engrossed.

Engrossed Senate Bill 346

Representative Porter called down Engrossed Senate Bill 346 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

Engrossed Senate Bill 461

Representative Reske called down Engrossed Senate Bill 461 for second reading. The bill was read a second time by title.

HOUSE MOTION

(Amendment 461-2)

Mr. Speaker: I move that Engrossed Senate Bill 461 be amended to read as follows:

Page 5, line 3, delete "(B)" and insert "(C)".

Page 7, between lines 31 and 32, begin a new paragraph and insert:

"Sec. 21. (a) Except as provided in subsections (b), (c), and (d), a political subdivision maintains the right to control the sale, exchange, and distribution of any GIS data or framework data provided by the political subdivision to the state through a data exchange agreement entered into under this chapter.

(b) A political subdivision may agree, through a provision in a data exchange agreement, to allow the sale, exchange, or distribution of GIS data or framework data provided to the state.

(c) Subsection (a) does not apply to data that is otherwise required by state or federal law to be provided by a political subdivision to the state or federal government.

(d) As a condition in a data exchange agreement for providing state GIS data or framework data to a political subdivision, the state GIS officer may require the political subdivision to follow the state GIS data standards and the statewide data integration plan when the political subdivision makes use of the GIS data or framework data as provided by the state.

Sec 22. (a) Nothing in this chapter shall be construed to permit the IGIC, the state GIS officer, the state data center, or a state educational institution to recommend or restrict standards for GIS hardware or software that a proprietary vendor provides to any political subdivision.

(b) It is the intent of the general assembly in enacting this

chapter to promote high-technology enterprise and employment within Indiana. To the extent practicable, the "Buy Indiana Presumption" required by executive order 05-05, shall be observed with respect to all procurement decisions related to this chapter, so long as executive order 05-05 is in effect."

(Reference is to ESB 461 as printed March 30, 2007.)

RESKE

Motion prevailed. The bill was ordered engrossed.

Engrossed Senate Bill 524

Representative Mays called down Engrossed Senate Bill 524 for second reading. The bill was read a second time by title. There being no amendments, the bill was ordered engrossed.

Engrossed Senate Bill 551

Representative Austin called down Engrossed Senate Bill 551 for second reading. The bill was read a second time by title.

HOUSE MOTION

(Amendment 551-1)

Mr. Speaker: I move that Engrossed Senate Bill 551 be amended to read as follows:

Page 7, line 37, delete "Two (2)" and insert "**Three (3)**".

Page 7, line 39, delete "Three (3)" and insert "**Four (4)**".

Page 8, line 11, delete "Four (4)" and insert "**Six (6)**".

Page 8, line 12, delete "four (4)" and insert "**six (6)**".

Page 8, line 16, delete "four (4)" and insert "**six (6)**".

(Reference is to ESB 551 as printed March 30, 2007.)

AUSTIN

Motion prevailed. The bill was ordered engrossed.

OTHER BUSINESS ON THE SPEAKER'S TABLE

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed, without amendments, Engrossed House Bills 1085 and 1193 and the same are herewith returned to the House.

MARY C. MENDEL

Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed Engrossed House Bills 1557, 1663, and 1774 with amendments and the same are herewith returned to the House for concurrence.

MARY C. MENDEL

Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I hereby transmit Senate Enrolled Acts 333 and 553 for signature of the Speaker of the House.

MARY C. MENDEL

Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has not concurred in House amendments to Engrossed Senate Bill 94 and the President Pro Tempore has appointed the following Senators a conference committee to meet and confer with a like committee of the House on said bill, and to report thereon:

Conferees: Landske, Chair; and Broden

Advisors: Kenley, Miller, Simpson, and Mrvan

MARY C. MENDEL

Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has not concurred in House amendments to Engrossed Senate Bill 128 and the President Pro Tempore has appointed the following Senators a conference committee to meet and confer with a like committee of the House on said bill, and to report thereon:

Conferees: M. Young, Chair; and Deig
Advisors: Kruse, Waltz, Hume, and Mrvan

MARY C. MENDEL
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has not concurred in House amendments to Engrossed Senate Bill 192 and the President Pro Tempore has appointed the following Senators a conference committee to meet and confer with a like committee of the House on said bill, and to report thereon:

Conferees: Lubbers, Chair; and Sipes
Advisors: Alting, Wyss, Skinner, and Errington

MARY C. MENDEL
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has not concurred in House amendments to Engrossed Senate Bill 502 and the President Pro Tempore has appointed the following Senators a conference committee to meet and confer with a like committee of the House on said bill, and to report thereon:

Conferees: Kenley, Chair; and Mrvan
Advisors: Dillon, Wyss, Hume, and Skinner

MARY C. MENDEL
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed Senate Concurrent Resolution 19 and the same is herewith transmitted to the House for further action.

MARY C. MENDEL
Principal Secretary of the Senate

MESSAGE FROM THE SENATE

Mr. Speaker: I am directed by the Senate to inform the House that the Senate has passed Senate Concurrent Resolutions 57, 81, and 82 and the same are herewith transmitted to the House for further action.

MARY C. MENDEL
Principal Secretary of the Senate

RESOLUTIONS ON FIRST READING

Senate Concurrent Resolution 19

The Speaker handed down Senate Concurrent Resolution 19, sponsored by Representatives McClain and Hinkle:

A CONCURRENT RESOLUTION honoring the Lewis Cass High School Softball team on winning the 2006 Class 2A Championship of the Indiana High School Athletic Association Softball State Finals.

Whereas, The Lewis Cass High School Softball Team fought hard to make it to the Class 2A Softball State Finals;

Whereas, The team had a record of 28 wins and 2 losses during the 2006 season, and put together a 23 game winning streak to make it into the championship game;

Whereas, In the championship game, the Lewis Cass Kings overcame both their opponents and two rain delays to defeat Frankton by a score of 3-0;

Whereas, Ollmay Wilson, a junior member of the team, pitched a shutout game against Frankton to secure Lewis Cass High School's first Softball State Championship; and

Whereas, The entire team's effort and enthusiasm throughout the regular and post season is worthy of recognition: Therefore,

*Be it resolved by the Senate
of the General Assembly of the State of Indiana,
the House of Representatives concurring:*

SECTION 1. That the General Assembly of the State of Indiana recognizes and honors the Lewis Cass High School Softball team on winning the 2006 Class 2A Softball State Championship.

SECTION 2. The Secretary of the Senate is hereby directed to transmit a copy of this resolution to Principal Isaacs, Coach Brent Blinn, and to Southeastern School Corporation Superintendent Dr. John Bevan.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution.

Senate Concurrent Resolution 57

The Speaker handed down Senate Concurrent Resolution 57, sponsored by Representatives Orentlicher and Burton:

A CONCURRENT RESOLUTION honoring Michael S. "Mickey" Maurer for his service to the State of Indiana.

Whereas, Throughout his career, Michael S. "Mickey" Maurer has given generously of his time, talent and personal resources. Mr. Maurer's creativity and his understanding of business were evident from a very early age, when he negotiated prices at his family's auto salvage yard. Much later in his career, he would use these same skills to negotiate economic development projects on behalf of the State of Indiana;

Whereas, Mr. Maurer graduated from North Central High School, received a bachelor's degree from the University of Colorado, and earned a law degree from Indiana University. Thereafter, Mr. Maurer enjoyed great success in numerous business endeavors which have included part ownership in a chain of racquetball courts, the Indianapolis Business Journal, the National Bank of Indianapolis, the Indiana Square office tower and several radio stations;

Whereas, Mr. Maurer was appointed President of the Indiana Economic Development Corporation in 2005. Charged with the task of making the IEDC run at the speed of business, Mr. Maurer secured commitments from companies to create over 37,000 new jobs and invest over 11 billion dollars of private capital.

Whereas, Governor Mitch Daniels appointed Mr. Maurer the Secretary of Commerce in 2006. Working for one dollar per year and regularly offering his personal resources for the good of the state, Mr. Maurer was able to attract three new auto plants to Indiana and create thousands of jobs with many more in the pipeline; and

Whereas, Michael S. "Mickey" Maurer regarded public service as a matter of obligation. He was a true steward of taxpayer resources, and his effectiveness as a negotiator saved the taxpayers of Indiana many millions of dollars and created countless opportunities. His departure leaves a void that will be difficult to fill: Therefore,

*Be it resolved by the Senate
of the General Assembly of the State of Indiana,
the House of Representatives concurring:*

SECTION 1. That the Indiana General Assembly honors Michael S. "Mickey" Maurer for his service to the State of Indiana and wishes him well in his future endeavors.

SECTION 2. The Secretary of the Senate is hereby directed to transmit a copy of this resolution to Michael S. Maurer.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution.

Senate Concurrent Resolution 81

The Speaker handed down Senate Concurrent Resolution 81, sponsored by Representatives Kuzman, Whetstone, Borders, Denbo, and Bauer:

A CONCURRENT RESOLUTION commending Republic of China (Taiwan) on its contributions to promote world health.

Whereas, Good health is essential to every citizen of the world and access to the highest standards of health information and services is necessary to improve public health;

Whereas, The World Health Organization (WHO) set forth in the first chapter of its charter the objective of attaining the highest possible level of health for all people;

Whereas, The Taiwan's achievements in the field of health are substantial, including one of the highest life expectance levels in Asia, maternal and infant mortality rates comparable to those of western countries, and the eradication of such infectious diseases as cholera, smallpox, and the plague; moreover, it was the first Asian nation to eradicate polio and provide children with hepatitis B vaccinations;

Whereas, The United States Center for Disease Control and Prevention and its Taiwanese counterpart have enjoyed close collaboration on a wide range of public health issues;

Whereas, In recent years, Taiwan has expressed a willingness to assist financially and technically in international health activities supported by the WHO; and

Whereas, Direct, unobstructed participation in international health forums and programs is critical to limit the spread of various infectious diseases and achieve world health: Therefore,

*Be it resolved by the Senate
of the General Assembly of the State of Indiana,
the House of Representatives concurring:*

SECTION 1. That the Indiana Senate commends the efforts of Taiwan in support of world health and extends its support for the participation of the Republic of China (Taiwan) in the World Health Organization.

SECTION 2. The Secretary of the Senate is hereby directed to transmit a copy of this resolution to the governing authority of the World Health Organization and to the Taipei Economic and Cultural Office in Chicago, Illinois.

The resolution was read a first time and adopted by voice vote. The Clerk was directed to inform the Senate of the passage of the resolution.

House Resolution 45

Representative C. Brown introduced House Resolution 45:

A HOUSE RESOLUTION to express the Indiana House of Representatives support for the U.S. troops currently serving Iraq, as well as those that have previously served, and those that have been killed or wounded during such service, and their families; and further expressing the House of Representatives deep concern with regard to President Bush's proposed plan to increase the United States' military presence in Iraq by 21,500 troops.

Whereas, More than 137,000 United States military personnel, including many from Indiana, are bravely and

honorably serving in Iraq and deserve the support of all Hoosiers and all Americans;

Whereas, The people of Indiana will always honor the honor and sacrifices of the American soldiers who have died or been wounded in combat in Iraq, including the more than 3,000 United States military personnel who have died in Iraq and the more than 22,500 who have been wounded;

Whereas, On January 10, 2007 President George W. Bush announced his plan to increase the United States military involvement in Iraq, by deploying approximately 21,500 additional United States combat forces to Iraq;

Whereas, The Indiana House of Representatives hereby expresses its deep concern regarding the President's plan to increase the number of American troops in Iraq, in part due to the impact on the available federal resources required to provide for the urgent needs of the most vulnerable portions of the American population, including the need to provide for the health, education, and homeland security of the State of Indiana; and

Whereas, Polls show that greater than 60% of Americans oppose sending additional American troops to Iraq, which indicates that the majority of Americans share this House's concerns with increasing U.S. troop levels in Iraq at this time: Therefore,

*Be it resolved by the House of Representatives
of the General Assembly of the State of Indiana:*

SECTION 1. That the Indiana House of Representatives supports the U.S. troops currently serving Iraq, as well as those that have previously served and those that have been killed or wounded during such service, and their families.

SECTION 2. That the Indiana House of Representatives expresses its deep concern with regard to President Bush's proposed plan to increase the United States military presence in Iraq by 21,500 troops.

SECTION 3. That the State of Indiana, its elected leaders and its citizens have a responsibility to highlight the implications of sending additional troops to Iraq, and the resulting impact on available federal resources, which are urgently needed by the most vulnerable portions of the American population in the State of Indiana and other states within the United States.

SECTION 4. That the Principal Clerk of the House of Representatives shall transmit a copy of this resolution to George W. Bush, President of the United States, and members of the Indiana Congressional delegation.

The resolution was read a first time and referred to the Committee on Rules and Legislative Procedures.

ENGROSSED SENATE BILLS ON SECOND READING

Engrossed Senate Bill 270

Representative Grubb called down Engrossed Senate Bill 270 for second reading. The bill was read a second time by title.

HOUSE MOTION (Amendment 270-1)

Mr. Speaker: I move that Engrossed Senate Bill 270 be amended to read as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning motor fuel.

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 6-2.5-7-5, AS AMENDED BY P.L.122-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. (a) Each retail merchant who dispenses gasoline or special fuel from a metered

pump shall, in the manner prescribed in IC 6-2.5-6, report to the department the following information:

- (1) The total number of gallons of gasoline sold from a metered pump during the period covered by the report.
- (2) The total amount of money received from the sale of gasoline described in subdivision (1) during the period covered by the report.
- (3) That portion of the amount described in subdivision (2) which represents state and federal taxes imposed under this article, IC 6-6-1.1, or Section 4081 of the Internal Revenue Code.
- (4) The total number of gallons of special fuel sold from a metered pump during the period covered by the report.
- (5) The total amount of money received from the sale of special fuel during the period covered by the report.
- (6) That portion of the amount described in subdivision (5) that represents state and federal taxes imposed under this article, IC 6-6-2.5, or Section 4041 of the Internal Revenue Code.
- (7) The total number of gallons of E85 sold from a metered pump during the period covered by the report.

(b) Concurrently with filing the report, the retail merchant shall remit the state gross retail tax in an amount which equals five and sixty-six hundredths percent (5.66%) of the gross receipts, including state gross retail taxes but excluding Indiana and federal gasoline and special fuel taxes, received by the retail merchant from the sale of the gasoline and special fuel that is covered by the report and on which the retail merchant was required to collect state gross retail tax. The retail merchant shall remit that amount regardless of the amount of state gross retail tax which he has actually collected under this chapter. However, the retail merchant is entitled to deduct and retain the amounts prescribed in subsection (c), IC 6-2.5-6-10, and IC 6-2.5-6-11.

(c) A retail merchant is entitled to deduct from the amount of state gross retail tax required to be remitted under subsection (b) the amount determined under STEP THREE of the following formula:

STEP ONE: Determine:

- (A) the sum of the prepayment amounts made during the period covered by the retail merchant's report; minus
- (B) the sum of prepayment amounts collected by the retail merchant, in the merchant's capacity as a qualified distributor, during the period covered by the retail merchant's report.

STEP TWO: Subject to subsection (d), for reporting periods ending before July 1, ~~2008~~, **2010**, determine the product of:

- (A) ~~ten twenty-five cents (\$0.10); (\$0.25);~~ multiplied by
- (B) the number of gallons of E85 sold at retail by the retail merchant during the period covered by the retail merchant's report.

STEP THREE: Add the amounts determined under STEPS ONE and TWO.

For purposes of this section, a prepayment of the gross retail tax is presumed to occur on the date on which it is invoiced.

(d) The total amount of deductions allowed under subsection (c) STEP TWO may not exceed two million dollars (\$2,000,000) for all retail merchants in all reporting periods. A retail merchant is not required to apply for an allocation of deductions under subsection (c) STEP TWO. If the department determines that the sum of:

- (1) the deductions that would otherwise be reported under subsection (c) STEP TWO for a reporting period; plus
- (2) the total amount of deductions granted under subsection (c) STEP TWO in all preceding reporting periods;

will exceed two million dollars (\$2,000,000), the department shall publish in the Indiana Register a notice that the deduction program under subsection (c) STEP TWO is terminated after the

date specified in the notice and that no additional deductions will be granted for retail transactions occurring after the date specified in the notice."

Page 3, between lines 36 and 37, begin a new paragraph and insert:

"SECTION 4. [EFFECTIVE JULY 1, 2007] IC 6-2.5-7-5, as amended by this act, applies to reporting periods ending after June 30, 2007."

Renumber all SECTIONS consecutively.

(Reference is to ESB 270 as printed March 27, 2007.)

GRUBB

Motion prevailed.

HOUSE MOTION (Amendment 270-2)

Mr. Speaker: I move that Engrossed Senate Bill 270 be amended to read as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning motor fuel and to make an appropriation.

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 6-2.5-7-5, AS AMENDED BY P.L.122-2006, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]: Sec. 5. (a) Each retail merchant who dispenses gasoline or special fuel from a metered pump shall, in the manner prescribed in IC 6-2.5-6, report to the department the following information:

- (1) The total number of gallons of gasoline sold from a metered pump during the period covered by the report.
- (2) The total amount of money received from the sale of gasoline described in subdivision (1) during the period covered by the report.
- (3) That portion of the amount described in subdivision (2) which represents state and federal taxes imposed under this article, IC 6-6-1.1, or Section 4081 of the Internal Revenue Code.
- (4) The total number of gallons of special fuel sold from a metered pump during the period covered by the report.
- (5) The total amount of money received from the sale of special fuel during the period covered by the report.
- (6) That portion of the amount described in subdivision (5) that represents state and federal taxes imposed under this article, IC 6-6-2.5, or Section 4041 of the Internal Revenue Code.
- (7) The total number of gallons of E85 sold from a metered pump during the period covered by the report.
- (b) Concurrently with filing the report, the retail merchant shall remit the state gross retail tax in an amount which equals five and sixty-six hundredths percent (5.66%) of the gross receipts, including state gross retail taxes but excluding Indiana and federal gasoline and special fuel taxes, received by the retail merchant from the sale of the gasoline and special fuel that is covered by the report and on which the retail merchant was required to collect state gross retail tax. The retail merchant shall remit that amount regardless of the amount of state gross retail tax which he has actually collected under this chapter. However, the retail merchant is entitled to deduct and retain the amounts prescribed in subsection (c), IC 6-2.5-6-10, and IC 6-2.5-6-11.

(c) A retail merchant is entitled to deduct from the amount of state gross retail tax required to be remitted under subsection (b) the amount determined under STEP THREE of the following formula:

STEP ONE: Determine:

- (A) the sum of the prepayment amounts made during the period covered by the retail merchant's report; minus
- (B) the sum of prepayment amounts collected by the retail merchant, in the merchant's capacity as a qualified distributor, during the period covered by the retail

merchant's report.

STEP TWO: Subject to subsection (d), for reporting periods ending before July 1, ~~2008~~, 2020, determine the product of:

(A) ten cents (\$0.10); multiplied by

(B) the number of gallons of E85 sold at retail by the retail merchant during the period covered by the retail merchant's report.

STEP THREE: Add the amounts determined under STEPS ONE and TWO.

For purposes of this section, a prepayment of the gross retail tax is presumed to occur on the date on which it is invoiced.

(d) The total amount of deductions allowed under subsection (c) STEP TWO may not exceed ~~two~~ one million dollars (~~\$2,000,000~~) (\$1,000,000) for all retail merchants in all reporting periods. A retail merchant is not required to apply for an allocation of deductions under subsection (c) STEP TWO. If the department determines that the sum of:

(1) the deductions that would otherwise be reported under subsection (c) STEP TWO for a reporting period; plus

(2) the total amount of deductions granted under subsection

(c) STEP TWO in all preceding reporting periods;

will exceed ~~two~~ one million dollars (~~\$2,000,000~~) (\$1,000,000), the department shall publish in the Indiana Register a notice that the deduction program under subsection (c) STEP TWO is terminated after the date specified in the notice and that no additional deductions will be granted for retail transactions occurring after the date specified in the notice."

Page 3, between lines 36 and 37, begin a new paragraph and insert:

"SECTION 4. IC 15-9-5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2007]:

Chapter 5. E85 Fueling Station Grant Program

Sec. 1. As used in this chapter, "E85 base fuel" has the meaning set forth in IC 6-6-1.1-103.

Sec. 2. As used in this chapter, "fueling station" refers to tangible property (other than a building and its structural components) consisting of:

(1) a tank;

(2) a pump; and

(3) other components;

that is used by a person engaged in the business of selling motor fuel at retail to enable motor fuel to be dispensed directly into the fuel tank of a customer's motor vehicle.

Sec. 3. As used in this chapter, "location" refers to one (1) or more parcels of land that:

(1) have a common access to a public highway; and

(2) are or would appear to the reasonable person making an observation from a public highway to be part of the same business.

Sec. 4. As used in this chapter, "motor vehicle" means any vehicle that:

(1) is manufactured primarily for use on public streets, roads, and highways (not including a vehicle operated exclusively on a rail or rails); and

(2) has at least four (4) wheels.

Sec. 5. As used in this chapter, "qualified investment" refers to an ordinary and usual expense that is incurred after June 30, 2007, to do either of the following:

(1) Purchase any part of a renewable fuel compatible fueling station for the purpose of:

(A) installing the new renewable fuel compatible fuel station at a location on which a fueling station is not located; or

(B) converting an existing fueling station that is not a renewable fuel compatible fueling station into a renewable fuel compatible fueling station.

(2) Refit any part of a fueling station that is not

renewable fuel compatible as a renewable fuel compatible fueling station, including the costs of cleaning storage tanks and piping to remove petroleum sludge and other contaminants.

Sec. 6. As used in this chapter, "renewable fuel compatible" means:

(1) capable of storing and delivering E85 base fuel without contaminants resulting from deterioration from constant contact with alcohol fuels; and

(2) in conformity with applicable governmental standards, if any, and other nationally recognized standards applying to storage and handling of E85 base fuel, as determined under the standards prescribed by the department.

Sec. 7. The department may award a grant under this chapter to a person that:

(1) makes a qualified investment; and

(2) places the qualified investment in service;

in Indiana for the dispensing of E85 base fuel into the fuel tanks of motor vehicles.

Sec. 8. A grant awarded under this chapter is equal to the lesser of the following:

(1) The amount of the person's qualified investment.

(2) Five thousand dollars (\$5,000) for all qualified investments made by the person at a single location.

Sec. 9. The department shall do the following:

(1) Prepare and supervise the issuance of public information concerning the grant program established under this chapter.

(2) Prescribe the form and regulate the submission of applications for grants under this chapter.

(3) Determine an applicant's eligibility for a grant under this chapter.

Sec. 10. The total amount of grants awarded under this chapter for all state fiscal years may not exceed one million dollars (\$1,000,000).

Sec. 11. (a) The E85 fueling station grant fund is established to provide grants under this chapter.

(b) The fund consists of appropriations from the general assembly.

(c) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

(d) The money in the fund at the end of a state fiscal year does not revert to the state general fund but remains in the fund to be used exclusively for purposes of this chapter.

(e) Money in the fund is continuously appropriated for the purposes of this chapter.

Sec. 12. A grant awarded under this chapter is not subject to taxation under IC 6-3-1 through IC 6-3-7.

Sec. 13. A grant awarded under this chapter does not reduce the basis of the qualified property for purposes of determining any gain or loss on the property when the grant recipient disposes of the property.

SECTION 5. [EFFECTIVE JULY 1, 2007] IC 6-2.5-7-5, as amended by this act, applies to reporting periods ending after June 30, 2007.

SECTION 6. [EFFECTIVE JULY 1, 2007] (a) There is appropriated to the department of agriculture one million dollars (\$1,000,000) from the state general fund for deposit in the E85 fueling station grant fund established under IC 15-9-5, as added by this act, beginning July 1, 2007, and ending June 30, 2008."

(b) This SECTION expires July 1, 2008.

Renumber all SECTIONS consecutively.

(Reference is to ESB 270 as printed March 27, 2007.)

GRUBB

Motion prevailed. The bill was ordered engrossed.

The House recessed until the fall of the gavel.

RECESS

The House reconvened at 3:50 p.m. with the Speaker in the Chair.

Representative T. Harris was excused.

ENGROSSED SENATE BILLS ON THIRD READING

Engrossed Senate Bill 9

Representative Moses called down Engrossed Senate Bill 9 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning labor and safety and to make an appropriation.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Representative Turner was excused from voting, pursuant to House Rule 46. Roll Call 422: yeas 69, nays 27. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

The Speaker yielded the gavel to the Speaker Pro Tempore, Representative Dobis.

Engrossed Senate Bill 93

Representative Mays called down Engrossed Senate Bill 93 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning health.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Representatives Porter and Turner were excused from voting, pursuant to House Rule 46. Roll Call 423: yeas 95, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 114

Representative VanHaaften called down Engrossed Senate Bill 114 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning insurance.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Representative Murphy was excused from voting, pursuant to House Rule 46. Roll Call 424: yeas 94, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Representative T. Harris, who had been excused, was present.

Engrossed Senate Bill 123

Representative Stevenson called down Engrossed Senate Bill 123 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning local government.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 425: yeas 97, nays 0. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Engrossed Senate Bill 193

Representative C. BROWN called down Engrossed Senate Bill 193 for third reading:

A BILL FOR AN ACT concerning health.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Representatives Frizzell, Porter, and Turner were excused from voting, pursuant to House Rule 46. Roll Call 426: yeas 52, nays 37. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Representatives Kuzman and T. Harris were excused.

Engrossed Senate Bill 357

Representative Dembowski called down Engrossed Senate Bill 357 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning natural and cultural resources.

The bill was read a third time by sections and placed upon its passage. The question was, Shall the bill pass?

Roll Call 427: yeas 79, nays 15. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was directed to inform the Senate of the passage of the bill.

Representative Kuzman, who had been excused, was present. Representative Hinkle was excused.

Engrossed Senate Bill 327

Representative Mays called down Engrossed Senate Bill 327 for third reading:

A BILL FOR AN ACT to amend the Indiana Code concerning education.

The bill was read a third time by sections and placed upon its passage.

HOUSE MOTION (Amendment 327-13)

Mr. Speaker: I move that Engrossed Senate Bill 327 be recommitted to a Committee of One, its sponsor, with specific instructions to amend as follows:

Page 1, delete lines 1 through 9.

Page 2, delete lines 27 through 33.

Renumber all SECTIONS consecutively.

(Reference is to ESB 327 as reprinted March 30, 2007.)

MAYS

There being a two-thirds vote in favor of the motion, the motion prevailed.

COMMITTEE REPORT

Mr. Speaker: Your Committee of One, to which was referred Engrossed Senate Bill 327, begs leave to report that said bill has been amended as directed.

MAYS

Report adopted.

The question then was, Shall the bill pass?

Roll Call 428: yeas 81, nays 14. The bill was declared passed. The question was, Shall the title of the bill remain the title of the act? There being no objection, it was so ordered. The Clerk was

directed to inform the Senate of the passage of the bill.

REPORTS FROM COMMITTEES

COMMITTEE REPORT

Mr. Speaker: Your Committee on Public Health, to which was referred Engrossed Senate Bill 501, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

Committee Vote: yeas 9, nays 1.

C. BROWN, Chair

Report adopted.

OTHER BUSINESS ON THE SPEAKER'S TABLE

Referrals to Ways and Means

The Speaker announced, pursuant to House Rule 127, that Engrossed Senate Bills 400 and 501 had been referred to the Committee on Ways and Means.

HOUSE MOTION

Mr. Speaker: I move that Representative L. Lawson be removed as sponsor, Representative Micon be removed as cosponsor, Representative Micon be substituted as sponsor, and Representative L. Lawson be added as cosponsor of Engrossed Senate Bill 412.

L. LAWSON

Motion prevailed.

HOUSE MOTION

Mr. Speaker: I move that Representative Welch be added as cosponsor of Engrossed Senate Bill 566.

C. BROWN

Motion prevailed.

Pursuant to House Rule 60, committee meetings were announced.

On the motion of Representative M. Smith, the House adjourned at 5:20 p.m., this second day of April, 2007, until Tuesday, April 3, 2007, at 1:00 p.m.

B. PATRICK BAUER

Speaker of the House of Representatives

CLINTON McKAY

Principal Clerk of the House of Representatives